

SECURITIES AND EXCHANGE COMMISSION

FORM 497

Definitive materials filed under paragraph (a), (b), (c), (d), (e) or (f) of Securities Act Rule 497

Filing Date: **1995-07-28**
SEC Accession No. **0000035685-95-000012**

([HTML Version](#) on secdatabase.com)

FILER

INVESCO MONEY MARKET FUNDS INC

CIK: **35685** | IRS No.: **840703461** | State of Incorporation: **MD** | Fiscal Year End: **0531**
Type: **497** | Act: **33** | File No.: **002-55079** | Film No.: **95557098**

Mailing Address
P.O. BOX 173706
DENVER CO 80217-3706

Business Address
7800 E UNION AVE
STE 800
DENVER CO 80237
3037791233

INVESCO U.S. GOVERNMENT MONEY FUND

Supplement to Prospectus
dated September 30, 1994

The section of the Fund's Prospectus entitled "Annual Fund Expenses" is amended to read as follows:

ANNUAL FUND EXPENSES

The Fund is 100% no-load; there are no fees to purchase, exchange or redeem shares, nor any ongoing marketing ("12b-1") expenses. Lower expenses benefit Fund shareholders by increasing the Fund's total return.

Shareholder Transaction Expenses

Sales load "charge" on purchases.....	None
Sales load "charge" on reinvested dividends.....	None
Redemption fees.....	None
Exchange fees.....	None

Annual Fund Operating Expenses

(as a percentage of average net assets)*

Management Fee.....	0.50%
12b-1 Fees.....	None
Other Expenses(after absorbed expenses) (1).....	0.35%
Transfer Agency Fee.....	0.24%
General Services, Administrative Services, Registration, Postage (2).....	0.11%
Total Fund Operating Expenses (after absorbed expenses((1).....	0.85%

(1) Certain Fund expenses are being voluntarily absorbed by the Fund's investment adviser in order to ensure that the Fund's total operating expenses do not exceed 0.75% (through April 30, 1995) and 0.85% (effective May 1, 1995) of the Fund's average net assets. If such voluntary expense limit had not been in effect during the fiscal year ended May 31, 1994, the Fund's "Other Expenses" and "Total Fund Operating Expenses" would have been 0.50% and 1.00%, respectively.

(2) Includes, but is not limited to, fees and expenses of directors, custodian bank, legal counsel and auditors, costs of administrative services furnished under an Administrative Services Agreement, costs of registration of Fund shares under applicable laws, and costs of printing and distributing reports to shareholders.

Example*

A shareholder would pay the following expenses on a \$1000 investment for the periods shown, assuming (1) a 5% annual return and (2) redemption at the end of each time period:

1 Year	3 Years	5 Years	10 Years
\$8	\$26	\$45	\$100

The purpose of the foregoing table is to assist investors in understanding the various costs and expenses that an investor in the Fund will bear directly or indirectly. Such expenses are paid from the Fund's assets. (See "The Fund and Its Management.") The Fund charges no sales load, redemption fee or exchange fee and bears no distribution expenses. The Example should not be considered a representation of past or future expenses, and actual expenses may be greater or less than those shown. The assumed 5% annual return is hypothetical and should not be considered a representation of past or future annual returns, which may be greater or less than the assumed amount.

*The expense information in the above tables has been presented on a basis that assumes that the Fund's current 0.85% expense limitation had been in effect during the year ended May 31, 1994.

The ninth paragraph in the section of the Fund's Prospectus entitled "The Fund and Its Management" is hereby amended to read as follows:

The Fund's expenses, which are accrued daily, are generally deducted from the Fund's total income before dividends are paid. Total expenses of the Fund for the fiscal year ended May 31, 1994, including investment advisory fees (but excluding brokerage commissions which are included as a cost of acquiring securities), amounted to 0.75% of the Fund's average net assets. In the absence of the voluntary expense limitation that applied during this period, the total expenses of the Fund, including investment advisory fees (but excluding brokerage commissions), would have been 1.00% of the Fund's average net assets. Certain Fund expenses will be absorbed voluntarily by INVESCO in order to ensure that the Fund's total operating expenses will not exceed 0.75% (through April 30, 1995) and 0.85% (effective May 1, 1995) of the Fund's average net assets.

The date of this Supplement is July 21, 1995.

PROSPECTUS
September 30, 1994

INVESCO U.S. Government Money Fund

A Series of INVESCO Money Market Funds, Inc.

INVESCO U.S. Government Money Fund (the "Fund") seeks to achieve its investment objective by investing only in debt obligations issued or guaranteed by the U.S. Government or its agencies, which may or may not be supported by the full faith and credit of the United States Treasury, maturing in 365 days or less from the date of purchase, and in repurchase agreements with respect thereto. Shares of the Fund are neither insured nor guaranteed by the U.S. Government. It is expected, but cannot be assured, that the value of the Fund's shares will be maintained at a constant \$1.00 per share.

The Fund is a series of INVESCO Money Market Funds, Inc. (the "Company"), an open-end management investment company consisting of three separate no-load

money market mutual funds, each of which represents a separate portfolio of investments.

This Prospectus relates to shares of the Fund. Separate Prospectuses are available upon request from INVESCO Funds Group, Inc. for the Company's other two funds, INVESCO Cash Reserves Fund and INVESCO Tax-Free Money Fund. Additional funds may be offered in the future.

This Prospectus provides you with the basic information you should know before investing in INVESCO U.S. Government Money Fund. You should read it and keep it for future reference. A Statement of Additional Information containing further information about the Fund has been filed with the Securities and Exchange Commission. You can obtain a copy without charge by writing INVESCO Funds Group, Inc., Post Office Box 173706, Denver, Colorado 80217-3706; or by calling 1-800-525-8085.

TABLE OF CONTENTS	Page
ANNUAL FUND EXPENSES	5
FINANCIAL HIGHLIGHTS	7
PERFORMANCE DATA	8
INVESTMENT OBJECTIVE AND POLICIES	8
THE FUND AND ITS MANAGEMENT	10
HOW SHARES CAN BE PURCHASED	13
SERVICES PROVIDED BY THE FUND	14
HOW TO REDEEM SHARES	18
DIVIDENDS, CAPITAL GAIN DISTRIBUTIONS, AND TAXES	20
ADDITIONAL INFORMATION	20

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SHARES OF THE FUND ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY BANK OR OTHER FINANCIAL INSTITUTION. THE SHARES OF THE FUND ARE NOT FEDERALLY INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD OR ANY OTHER AGENCY.

THE STATEMENT OF ADDITIONAL INFORMATION, DATED SEPTEMBER 30, 1994, IS HEREBY INCORPORATED BY REFERENCE INTO THIS PROSPECTUS.

ANNUAL FUND EXPENSES

The Fund is 100% no-load; there are no fees to purchase, exchange or redeem shares, nor any ongoing marketing ("12b-1") expenses. Lower expenses benefit Fund shareholders by increasing the Fund's total return.

Shareholder Transaction Expenses

Sales load "charge" on purchases	None
Sales load "charge" on reinvested dividends	None
Redemption fees	None
Exchange fees	None

Annual Fund Operating Expenses

(as a percentage of average net assets)

Management Fee		0.50%
12b-1 Fees		None
Other Expenses (after absorbed expenses) (1)		0.25%
Transfer Agency Fee	0.24%	
General Services, Administrative Services, Registration, Postage (2)	0.01%	
Total Fund Operating Expenses (after absorbed expenses) (1)		0.75%

(1) Certain Fund expenses are voluntarily absorbed by the Fund's investment adviser and sub-adviser in order to ensure that the Fund's total operating expenses do not exceed 0.75% of the Fund's average net assets. If such voluntary expense limit had not been in effect during the past fiscal period, the Fund's "Other Expenses" and "Total Fund Operating Expenses" would have been 0.50% and 1.00%, respectively.

(2) Includes, but is not limited to, fees and expenses of directors, custodian bank, legal counsel and auditors, costs of administrative services furnished under an Administrative Services Agreement, costs of registration of Fund shares under applicable laws, and costs of printing and distributing reports to shareholders.

Example

A shareholder would pay the following expenses on a \$1000 investment for the periods shown, assuming (1) a 5% annual return and (2) redemption at the end of each time period:

1 Year	3 Years	5 Years	10 Years
\$8	\$24	\$42	\$93

The purpose of the foregoing table is to assist investors in understanding the various costs and expenses that an investor in the Fund will bear directly or indirectly. Such expenses are paid from the Fund's assets. (See "The Fund and Its Management.") The Fund charges no sales load, redemption fee or exchange fee and bears no distribution expenses. The Example should not be considered a representation of past or future expenses, and actual expenses may be greater or less than those shown. The assumed 5% annual return is hypothetical and should not be considered a representation of past or future annual returns, which may be greater or less than the assumed amount.

Financial Highlights

(For a Fund Share Outstanding throughout Each Period)

The following information has been audited by Price Waterhouse LLP, independent accountants. The U.S. Firm of Price Waterhouse, the independent accountants to the Fund, has registered as a Registered Limited Liability Partnership (LLP) under the laws of the State of Delaware and from August 1, 1994, will continue its practice under the name Price Waterhouse LLP. All references to Price Waterhouse in this Prospectus and in the related Statement of Additional Information are to Price Waterhouse LLP. This information should be read in conjunction with the audited financial statements and the report of independent accountants thereon appearing in the Fund's 1994 Annual Report to Shareholders and in the Statement of Additional Information, both of which are available without charge by contacting INVESCO Funds Group, Inc. at the address or telephone number shown below.

<TABLE>

<CAPTION>

	Year Ended May 31 ----- <C> 1994	Period Ended May 31 ----- <C> 1993++	Year Ended December 31 ----- <C> 1992	Period Ended December 31 ----- <C> 1991+
PER SHARE DATA				
Net Asset Value -- Beginning of Period	\$1.00 -----	\$1.00 -----	\$1.00 -----	\$1.00 -----
INCOME FROM INVESTMENT OPERATIONS				
Net Investment Income Earned and Distributed to Shareholders	0.03 =====	0.01 =====	0.03 =====	0.03 =====
Net Asset Value -- End of Period	\$1.00 =====	\$1.00 =====	\$1.00 =====	\$1.00 =====
TOTAL RETURN	2.56%	0.93%*	2.97%	3.23%*
RATIOS				
Net Assets -- End of Period (\$000 Omitted)	\$73,912	\$34,519	\$30,282	\$7,203
Ratio of Expenses to Average Net Assets#	0.75%	0.75%~	0.75%	0.74%~
Ratio of Net Investment Income to Average Net Assets#	2.60%	2.27%~	2.82%	4.54%~

<FN>

++ From January 1, 1993 to May 31, 1993.

+ From April 26, 1991, commencement of operations, to December 31, 1991.

* Not Annualized

Various expenses of the Fund were voluntarily absorbed by INVESCO Funds Group for the year ended May 31, 1994, the period ended May 31, 1993, December 31, 1992 and the period ended December 31, 1991, respectively. If such expenses had not been absorbed, the ratio of expenses to average net assets would have been 1.00%, 1.18%, 1.08% and 1.93%, respectively, and ratio of net investment income to average net assets would have been 2.35%, 1.84%, 2.49% and 3.35%, for the above periods, respectively.

~ Annualized

</FN>

</TABLE>

Further information about the performance of the Fund is contained in the Fund's annual report to shareholders, which may be obtained without charge by writing INVESCO Funds Group, Inc., P.O. Box 173706, Denver, Colorado 80217-3706; or by calling 1-800-525-8085.

PERFORMANCE DATA

From time to time, the Fund may advertise its "yield", "effective yield" and "total return" performance. These figures are based upon historical investment results and are not intended to indicate future performance. The "yield" of the Fund refers to the income generated by an investment in the Fund over a seven-day period (which period will be stated in the advertisement). This income is then "annualized." That is, the amount of income generated by the investment during that week is assumed to be generated each week over a 52-week period and is shown as a percentage of the investment. The "effective yield" is calculated similarly but, when annualized, the income earned by an investment in the Fund is assumed to be reinvested. The "effective yield" will be slightly higher than the "yield" because of the compounding effect of this assumed reinvestment.

"Total return" refers to the average annual rate of return of an investment in the Fund. This figure is computed by calculating the percentage change in value of an investment of \$1,000, assuming reinvestment of all income dividends and capital gains distributions, to the end of a specified period. Periods of one year, five years, and ten years are used to the extent possible.

Statements of the Fund's total return performance are based upon investment results during a specified period and assume reinvestment of all dividends and capital gains, if any, paid during that period. Thus, a report of total return performance should not be considered as representative of future performance. The Fund charges no sales load, redemption fee, or exchange fee which would affect the total return computation.

In conjunction with performance reports and/or analyses of shareholder service for the Fund, comparative data between the Fund's performance or yield for a given period and recognized indicators of money market performance for the same period, and/or assessments of the quality of shareholder service, may be provided to shareholders. Such indicators include the Donoghue's Money Fund Report, Bank Rate Monitor's 100 Highest Yields, the Certificate of Deposit indices, Treasury Bill indices, and the Consumer Price Index. In addition, rankings, ratings, and comparisons of investment performance and/or assessments of the quality of shareholder service published by the William Donoghue Organization, Money, Kiplinger's Personal Finance, Morningstar, and similar sources which utilize information compiled (i) internally; (ii) by Lipper Analytical Services, Inc.; or (iii) by other recognized analytical services may be used in advertising. Rankings and comparisons of the Fund's performance by Donoghue will be drawn from its U.S. Government and Agencies Money Market Fund grouping.

Further information about the performance of the Fund is contained in the Company's annual report to shareholders, which may be obtained without charge by writing INVESCO Funds Group, Inc., P.O. Box 173706, Denver, Colorado 80217-3706; or by calling 1-800- 525-8085.

INVESTMENT OBJECTIVE AND POLICIES

The investment objective of the Fund is to achieve as high a level of current income as is consistent with liquidity and safety of capital. While

there can be no assurance that this objective will be achieved, the Fund seeks to achieve its objective by investing only in debt obligations issued or guaranteed by the U.S. Government or its agencies, which may or may not be supported by the full faith and credit of the United States Treasury, maturing in 365 days or less from the date of purchase, and in repurchase agreements with respect thereto. Because the Fund invests only in

short-term U.S. Government securities, its ability to achieve a high level of current income is limited in comparison to mutual funds that invest in securities which present a greater credit risk. Securities issued or guaranteed by the U.S. Government include a variety of U.S. Treasury securities that differ in their interest rates, maturities and dates of issuance. Treasury Bills have face maturities of one year or less. Treasury Notes have face maturities of from one to ten years and Treasury Bonds generally have face maturities of greater than ten years. In addition, U.S. Government agencies established under the authority of an act of Congress issue securities which may or may not be supported by the full faith and credit of the United States Treasury. The securities in which the Fund invests consist of: direct obligations of the United States such as Treasury Bills, Treasury Notes, and U.S. Government Bonds, as well as investments in agencies of the U.S. Government, the securities of which may or may not be supported by the full faith and credit of the U.S. Treasury, including, but not limited to, the Government National Mortgage Association (GNMA), the Department of Housing and Urban Development, the Farmers' Home Administration, the Small Business Administration, the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation and the Federal Home Loan Bank. The GNMA certificates in which the Fund may invest are mortgage-based securities, and are subject to the risk that prepayments of the underlying mortgages will cause the principal and interest on the certificate to be paid prior to their stated maturities. In the event of a prepayment during a period of declining interest rates, the Fund may be required to invest the proceeds at a lower interest rate.

The investment objective of the Fund and its investment policies, except where indicated to the contrary, are deemed to be fundamental policies and thus may not be changed without prior approval by the holders of a majority of its outstanding voting securities, as defined in the Investment Company Act of 1940. In addition, the Fund is subject to certain investment restrictions which are set forth in the Statement of Additional Information and may not be altered without approval of shareholders. One of those restrictions limits borrowing of money to borrowings from banks for temporary or emergency purposes (but not for investment) in an amount not to exceed 5% of total assets of the Fund.

The return on investment in the Fund will depend upon the interest earned by the Fund on its security holdings, after deduction of Fund expenses, and is paid to shareholders in the form of daily dividends. If interest rates increase, the value of interest-paying debt securities may decrease, and vice versa. Notwithstanding the possibility of fluctuations in values of the Fund's securities, as a result of the Fund's use of amortized cost valuation and its declaration of income dividends daily, it is expected, but cannot be assured, that the Fund's net asset value will be maintained at a constant value of \$1.00 per share. Under the amortized cost valuation method, securities are valued at their cost at the time of purchase, and thereafter there is assumed a constant amortization to maturity of any discount or premium.

The Fund limits the dollar-weighted average maturity of its portfolio securities to 90 days or less.

Generally, the Fund intends to hold securities purchased until maturity. When in management's opinion it is advisable in light of prevailing market or business conditions, however, securities may be sold without regard to how long they have been held.

The Fund may enter into repurchase agreements with respect to any of the obligations listed above with registered broker-dealers, registered government securities dealers or member banks of the Federal Reserve System, which are deemed creditworthy, as described in the Statement of Additional Information. (For a description of the requirements for broker-dealers and registered government securities dealers, see the Statement of Additional Information.) Repurchase agreements, which may be considered a "loan" under the Investment Company Act of 1940, involve the purchase of debt securities ("collateral") with the condition that, after a stated period of time, the original seller will buy back such securities at a predetermined price or yield. The amount required to be paid to the Fund upon repurchase reflects the Fund's yield under the agreement. In the event that the original seller defaults on its obligation to repurchase the securities, the Fund could incur costs or delays in seeking to sell such securities. To minimize risk, the securities underlying each repurchase agreement will be maintained with the Funds' custodian in an amount at least equal to the repurchase price under the agreement (including accrued interest), and such agreements will be effected only with parties that meet certain creditworthiness standards established by the Company's board of directors. Although the Fund has not adopted any limit on the amount of its total assets that may be invested in repurchase agreements, the Company's board of directors has established the policy that all repurchase agreements entered into by the Fund will mature in seven days or less. In no event will the Fund enter into a repurchase agreement that is not fully collateralized by U.S. Government securities.

THE FUND AND ITS MANAGEMENT

The Company is a no-load mutual fund, registered with the Securities and Exchange Commission as an open-end, diversified management investment company. The Company was incorporated on April 2, 1993, under the laws of Maryland. On July 1, 1993, the Company assumed all of the assets and liabilities of the Fund's predecessor fund, the Financial U.S. Government Money Fund of Financial Series Trust, a Massachusetts business trust organized on July 15, 1987. All financial and other information about the Fund for periods prior to July 1, 1993, relates to such former fund. On July 1, 1993, the Company also assumed, through its INVESCO Cash Reserves Fund and INVESCO Tax-Free Money Fund, respectively, all of the assets and liabilities of those Funds' predecessors, Financial Daily Income Shares, Inc. (incorporated in Colorado on October 14, 1975) and Financial Tax-Free Money Fund, Inc. (incorporated in Colorado on March 4, 1983). The overall supervision of the Company is the responsibility of its board of directors.

Pursuant to an agreement with the Company, INVESCO Funds Group, Inc. ("INVESCO"), 7800 E. Union Avenue, Denver, Colorado, serves as the Fund's investment adviser. INVESCO is primarily responsible for providing the Fund with various administrative services, and supervising the Fund's daily business affairs. These services are subject to review by the Company's board of directors.

The following individual serves as the portfolio manager for the Fund and is primarily responsible for the day-to-day management of the Fund's portfolio of securities:

Richard R. Hinderlie	Portfolio manager of the Fund since 1993; portfolio manager of INVESCO Cash Reserves Fund and INVESCO U.S. Government Securities Fund; co-portfolio manager of INVESCO Short-Term Bond Fund; portfolio manager of INVESCO Trust Company since 1993; Securities Analyst with Bank Western from 1987 to 1992; B.A., Pacific Lutheran University; M.B.A., Arizona State University.
----------------------	--

INVESCO is an indirect wholly-owned subsidiary of INVESCO PLC. INVESCO PLC is a financial holding company which, through its subsidiaries, engages in the business of investment management on an international basis. INVESCO was established in 1932 and, as of May 31, 1994, managed 13 mutual funds, consisting of 34 separate portfolios, with combined assets of approximately \$9.6 billion on behalf of over 863,000 shareholders.

Pursuant to an agreement with INVESCO, INVESCO Trust Company ("INVESCO Trust"), 7800 E. Union Avenue, Denver, Colorado, serves as the Company's sub-adviser. INVESCO Trust, a trust company founded in 1969, is a wholly-owned subsidiary of INVESCO that served as adviser or sub-adviser to 31 investment portfolios as of May 31, 1994, including 25 portfolios in the INVESCO group. These 31 portfolios had aggregate assets of approximately \$9.6 billion as of May 31, 1994. In addition, INVESCO Trust provides investment management services to private clients, including employee benefit plans that may be invested in a collective trust sponsored by INVESCO Trust. INVESCO Trust, subject to the supervision of INVESCO, is primarily responsible for selecting and managing the Fund's investments. Although the Fund is not a party to the sub- advisory agreement, the agreement has been approved by the shareholders of the Fund.

The Fund pays INVESCO a monthly fee which is based on a percentage of its average net assets, determined daily. The maximum rate payable by the Fund for each fiscal year is 0.50% of the first \$300 million of its average net assets, 0.40% of the next \$200 million of its average net assets, and 0.30% of its average net assets in excess of \$500 million. For the fiscal year ended May 31, 1994, the investment advisory fees paid by the Fund amounted to 0.50% of its average net assets. Out of its advisory fee which it receives from the Fund, INVESCO pays INVESCO Trust, as the Fund's sub-adviser, a monthly fee, which is computed at the annual rate of 0.15% of the Fund's average net assets. No fee is paid by the Fund to INVESCO Trust.

The Company also has entered into an Administrative Service Agreement, dated April 30, 1993 (the "Administrative Agreement"), with INVESCO. Pursuant to the Administrative Agreement, INVESCO performs certain administrative, recordkeeping and internal sub- accounting services, including without limitation, maintaining general ledger and capital stock accounts, preparing a daily trial balance, calculating net asset value daily, providing selected

general ledger reports and providing sub-accounting and recordkeeping services for Fund shareholder accounts maintained by certain retirement and employee benefit plans for the benefit of participants in such plans. For such services, the Fund pays INVESCO a fee consisting of a base fee of \$10,000 per year, plus an additional incremental fee computed at an annual rate of 0.015% per year of the average net assets of the Fund. INVESCO also is paid a fee by the Fund for providing transfer agent services. See "Additional Information."

The Fund's expenses, which are accrued daily, are deducted from the Fund's total income before dividends are paid. Total expenses of the Fund for the fiscal year ended May 31, 1994, including investment advisory fees (but excluding brokerage commissions which are included as a cost of acquiring securities), amounted to 0.75% of the Fund's average net assets, as a result of a voluntary expense limitation agreed upon by the Fund and INVESCO in order to ensure that the Fund's total expenses do not exceed 0.75% of the Fund's average net assets. If such voluntary expense limit had not been in effect, the Fund's total expenses for the fiscal year ended May 31, 1994 would have been 1.00%.

INVESCO, as the Company's investment adviser, or INVESCO Trust, as the Company's sub-adviser, places orders for the purchase and sale of portfolio securities with brokers and dealers based upon INVESCO's evaluation of their financial responsibility coupled with their ability to effect transactions at the best available prices. Although the Fund does not market its shares through intermediary brokers or dealers, the Fund may place orders for portfolio transactions with qualified broker/dealers which recommend the Fund or sell shares of the Fund to clients, or act as agent in the purchase of Fund shares for clients, if management of the Fund believes that the quality of the transaction and commission are comparable to those available from other qualified brokerage firms.

HOW SHARES CAN BE PURCHASED

The Fund's shares are sold on a continuous basis by INVESCO, as the Fund's Distributor at the net asset value per share next calculated after receipt of a purchase order in good form and of federal funds by the Fund, as described below. No sales charge is imposed upon the sale of shares of the Fund. To purchase shares of the Fund, send a check made payable to INVESCO Funds Group, Inc., together with a completed application form, to:

INVESCO FUNDS GROUP, INC.
Post Office Box 173706
Denver, Colorado 80217-3706

Purchase orders must specify the Fund in which the investment is to be made.

The minimum initial purchase must be at least \$1,000, with subsequent investments of not less than \$50, except that: (1) those shareholders establishing an EasiVest or direct payroll purchase account, as described below in the Prospectus section entitled "Services Provided by the Fund", may open an account without making any initial investment if they agree to make regular, minimum purchases of at least \$50; (2) Fund management may permit a lesser amount to be invested in the Fund under a federal income tax-sheltered retirement plan (other than an IRA Account), or under a group investment plan qualifying as a sophisticated investor; (3) those shareholders investing in an Individual Retirement Account (IRA) or through omnibus accounts where individual shareholder recordkeeping and sub-accounting are not required may make initial minimum purchases of \$250; and (4) Fund management reserves the right to reduce or waive the minimum purchase requirements in its sole discretion where it

determines such action is in the best interests of the Fund. The minimum initial purchase requirement of \$1,000, as described above, does not apply to shareholder account(s) in any of the INVESCO funds opened prior to January 1, 1993, and, thus, is not a minimum balance requirement for those existing accounts. However, for shareholders already having accounts in any of the INVESCO funds, all initial share purchases in a new Fund account, including those made using the exchange privilege, must meet the Fund's applicable minimum investment requirements.

Because the Fund seeks to be fully invested at all times, an order to purchase shares will not be effective until an investor's check can be converted into available federal funds (i.e., monies held on deposit within the Federal Reserve System) under regular banking processing procedures. Checks drawn on a member bank of the Federal Reserve System normally are converted into federal funds within two or three business days following receipt of the checks by the Fund. In the case of checks drawn on banks which are not members of the Federal Reserve System, it may take longer for federal funds to become available. During the period of time prior to receipt of federal funds, an investor's money will not be invested in the Fund and will not earn any dividends. During such time, an investor's money is held in a separate custodial account,

which results in no interest or other economic benefit accruing to INVESCO. The purchase of shares can be expedited by placing bank wire or overnight courier orders. Overnight courier orders must meet the above minimum requirements. In no case can a bank wire order be in an amount less than \$1,000. For further information, the purchaser may call the Fund's office by using the telephone number on the cover of this Prospectus. Orders sent by overnight courier, including Express Mail, should be sent to the street address, not Post Office Box, of INVESCO Funds Group, Inc., at 7800 E. Union Avenue, Suite 800, Denver, CO 80237.

If your check does not clear, you will be responsible for any related loss the Fund or INVESCO incurs. If you are already a shareholder in the INVESCO funds, the Fund has the option to redeem shares from any identically registered account in the Fund or any other INVESCO fund as reimbursement for any loss incurred. You may also be prohibited or restricted from making future purchases in any of the INVESCO funds.

Persons who invest in the Fund through a securities broker may be charged a commission or transaction fee for the handling of the transaction, if the broker so elects. Any investor may deal directly with the Fund in any transaction, however, and, in that event, there is no such charge.

The Fund reserves the right in its sole discretion to reject any order for purchase of its shares (including purchases by exchange) when, in the judgment of management, such rejection is in the best interest of the Fund.

Net asset value per share of the Fund is computed once each day that the New York Stock Exchange is open as of the close of trading on that Exchange (presently 4:00 p.m., New York time) and also may be computed on other days under certain circumstances. Net asset value per share is calculated by dividing the market value of all of the Fund's securities plus the value of its other assets (including dividends and interest accrued but not collected), less all liabilities (including accrued expenses), by the number of outstanding shares of the Fund. As a result of using the amortized cost valuation method to value its securities and as a result of declaring dividends daily, the Fund expects, but

cannot guarantee, that it will be able to maintain a constant net asset value of \$1.00 per share.

SERVICES PROVIDED BY THE FUND

Shareholder Accounts. INVESCO maintains a share account that reflects the current holdings of each shareholder. A separate account will be maintained for a shareholder for each fund in which the shareholder invests. Share certificates will be issued only upon specific request. Since certificates must be carefully safeguarded and must be surrendered in order to exchange or redeem Fund shares, most shareholders do not request share certificates in order to facilitate such transactions. Each shareholder is sent a detailed confirmation of each transaction in shares of the Fund. Shareholders whose only transactions are through the EasiVest, direct payroll purchase, automatic monthly exchange or periodic withdrawal programs, or are reinvestments of dividends or capital gains in the same or another Fund, will receive confirmations of those transactions on their quarterly statements. For information regarding a shareholder's account and transactions, the shareholder may call the Fund's office by using the telephone number on the cover of this Prospectus.

Reinvestment of Distributions. Income dividends paid by the Fund are automatically reinvested in additional shares of the Fund at the net asset value per share of the Fund in effect on the ex-dividend date. A shareholder may, however, elect to reinvest dividends in certain of the other no-load mutual funds advised and distributed by INVESCO, or to receive payment of all dividends in excess of \$10.00 by check by giving written notice to INVESCO at least two weeks prior to the record date on which the change is to take effect. Further information concerning these options can be obtained by calling INVESCO.

Periodic Withdrawal Plan. A Periodic Withdrawal Plan is available to shareholders who own or purchase shares of any mutual funds advised by INVESCO having a total value of \$10,000 or more; provided, however, that at the time the Plan is established, the shareholder owns shares having a value of at least \$5,000 in the fund from which the withdrawals will be made. Under the Periodic Withdrawal Plan, INVESCO, as agent, will make specified monthly or quarterly payments of any amount selected (minimum payment of \$100) to the party designated by the shareholder. Notice of all changes concerning the Periodic Withdrawal Plan must be received by INVESCO at least two weeks prior to the next scheduled check. Further information regarding the Periodic Withdrawal Plan and its requirements and tax consequences can be obtained by contacting INVESCO.

Exchange Privilege. Shares of the Fund may be exchanged for shares of any other fund of the Company, as well as for shares of any of the following other no-load mutual funds, which are also advised and distributed by INVESCO, on the basis of their respective net asset values at the time of the exchange: INVESCO Diversified Funds, Inc., INVESCO Dynamics Fund, Inc., INVESCO Emerging Growth Fund, Inc., INVESCO Growth Fund, Inc., INVESCO Income Funds, Inc., INVESCO Industrial Income Fund, Inc., INVESCO International Funds, Inc., INVESCO Multiple Asset Funds, Inc., INVESCO Specialty Funds, Inc., INVESCO Strategic Portfolios, Inc., INVESCO Tax-Free Income Funds, Inc., and INVESCO Value Trust.

An exchange involves redemption of shares in the Fund and investment of the redemption proceeds in shares of another fund of the Company or in one of the funds listed above. Exchanges will be made at the net asset value per share next determined after receipt of an exchange request in proper order. Any gain or loss realized on an exchange is recognizable for federal income tax purposes by

the shareholder. Exchange requests may be made either by telephone or by written request to INVESCO Funds Group, Inc., using the telephone number or address on the cover of this Prospectus. Exchanges made by telephone must be in an amount of at least \$250, if the exchange is being made into an existing account of one of the INVESCO funds. All exchanges that establish a new account must meet the Fund's applicable minimum initial investment requirements. Written exchange requests into an existing account have no minimum requirements other than the Fund's applicable minimum subsequent investment requirements.

The privilege of exchanging Fund shares by telephone is available to shareholders automatically unless expressly declined. By signing the new account Application, a Telephone Transaction Authorization Form or otherwise utilizing telephone exchange privileges, the investor has agreed that the Fund will not be liable for following instructions communicated by telephone that it reasonably believes to be genuine. The Fund employs procedures, which it believes are reasonable, designed to confirm that exchange instructions are genuine. These may include recording telephone instructions and providing written confirmations of exchange transactions. As a result of this policy, the investor may bear the risk of any loss due to unauthorized or fraudulent instructions; provided, however, that if the Fund fails to follow these or other reasonable procedures, the Fund may be liable.

In order to prevent abuse of this privilege to the disadvantage of other shareholders, the Fund reserves the right to terminate the exchange privilege of any shareholder who requests more than four exchanges a year. The Fund will determine whether to do so based on a consideration of both the number of exchanges any particular shareholder, or group of shareholders, has requested and the time period over which those exchange requests have been made, together with the level of expense to the Fund which will result from effecting additional exchange requests. The exchange privilege also may be modified or terminated at any time. Except for those limited instances where redemptions of the exchanged security are suspended under Section 22(e) of the Investment Company Act of 1940, or where sales of the fund into which the shareholder is exchanging are temporarily stopped, notice of all such modifications or termination of the exchange privilege will be given at least 60 days prior to the date of termination or the effective date of the modification.

Before making an exchange, the shareholder should review the prospectuses of the funds involved and consider their differences, and should be aware that the exchange privilege may only be available in those states where exchanges may be legally made, which will require that the shares being acquired are registered for sale in the shareholder's state of residence. Shareholders interested in exercising the exchange privilege may contact INVESCO for information concerning their particular exchanges.

Automatic Monthly Exchange. Shareholders who have accounts in any of the mutual funds distributed by INVESCO may arrange for a fixed dollar amount of their fund shares to be automatically exchanged for shares of any other INVESCO mutual fund listed under "Exchange Privilege" on a monthly basis. The minimum monthly exchange in this program is \$50.00. This automatic exchange program can be changed by the shareholder at any time by notifying INVESCO at least two weeks prior to the date the change is to be made. Further information regarding this service can be obtained by contacting INVESCO.

EasiVest. For shareholders who want to maintain a schedule of monthly investments, EasiVest uses various methods to draw a preauthorized amount from the shareholder's bank account to purchase Fund shares. This automatic investment program can be changed by the shareholder at any time by writing to INVESCO at least two weeks prior to the date the change is to be made. Further information regarding this service can be obtained by contacting INVESCO.

Direct Payroll Purchase. Shareholders may elect to have their employers make automatic purchases of Fund shares for them by deducting a specified amount from their regular paychecks. This automatic investment program can be modified or terminated at any time by the shareholder by notifying the employer. Further information regarding this service can be obtained by contacting INVESCO.

Tax-Sheltered Retirement Plans. Shares of the Fund may be purchased for self-employed retirement plans, individual retirement accounts (IRAs), simplified employee pension plans, and corporate retirement plans. In addition, shares can be used to fund tax qualified plans established under Section 403(b) of the Internal Revenue Code by educational institutions, including public school systems and private schools, and certain kinds of non-profit organizations, which provide deferred compensation arrangements for their employees.

Prototype forms for the establishment of these various plans, including where applicable, disclosure statements required by the Internal Revenue Service, are available from INVESCO. INVESCO Trust Company, a subsidiary of INVESCO, is qualified to serve as trustee or custodian under these plans and provides the required services at competitive rates. Retirement plans (other than IRAs) receive monthly statements reflecting all transactions in their Fund accounts. IRAs receive the confirmations and quarterly statements described under "Shareholder Accounts." For complete information, including prototype forms and service charges, call INVESCO at the telephone number listed on the cover of this Prospectus or send a written request to: Retirement Services, INVESCO Funds Group, Inc., Post Office Box 173706, Denver, Colorado 80217-3706.

HOW TO REDEEM SHARES

You may redeem all or any portion of the shares in your account at any time by check, telephone, or mail, as described below. Shares of the Fund will be redeemed at their current net asset value next determined after a request in proper form is received at the Fund's office. (See "How Shares Can Be Purchased.") As stated above, the Fund expects, but cannot guarantee, to maintain a \$1.00 per share constant net asset value.

If the shares to be redeemed are represented by stock certificates, a written request for redemption signed by the registered shareholder(s) and the certificates must be forwarded to INVESCO Funds Group, Inc., Post Office Box 173706, Denver, Colorado 80217-3706. Redemption requests sent by overnight courier, including Express Mail, should be sent to the street address, not Post Office Box, of INVESCO Funds Group, Inc. at 7800 E. Union Avenue, Suite 800, Denver, CO 80237. If no certificates have been issued, a written redemption request signed by each registered owner of the account may be submitted to INVESCO at the address noted above. If shares are held in the name of a corporation, additional documentation may be necessary. Call or write for specifics. If payment for the redeemed shares is to be made to someone other

than the registered owner(s), the signature(s) must be guaranteed by a financial institution which qualifies as an eligible guarantor institution. Redemption procedures with respect to accounts registered in the names of broker/dealers may differ from those applicable to other shareholders.

Be careful to specify the account from which the redemption is to be made. Shareholders have a separate account for each Fund in which they invest.

Payments of redemption proceeds will be mailed within seven days following receipt of the required documents. However, payment may be postponed under unusual circumstances, such as when normal trading is not taking place on the New York Stock Exchange, an emergency as defined by the Securities and Exchange Commission exists, or the shares to be redeemed were purchased by check and that check has not yet cleared, provided, however, that all redemption proceeds will be paid out promptly upon clearance of the purchase check (which may take up to 15 days).

Because of the high relative costs of handling small accounts, should the value of any shareholder's account fall below \$250 as a result of shareholder action, the Fund reserves the right to effect the involuntary redemption of all shares in such account, in which case the account would be liquidated and the proceeds forwarded to the shareholder. Prior to any such redemption, a shareholder will be notified and given 60 days to increase the value of the account to \$250 or more.

Shareholders with \$1,000 or more in their account may avail themselves of the Check Withdrawal Option. A one-time charge of \$5 will be made to institute the option. Checks will be furnished at no charge and may be written in amounts of not less than \$500.

Shares in the Fund will be redeemed to cover payment of checks drawn by the shareholder. INVESCO reserves the right to institute a charge for checks upon notice to all shareholders with the option. Further information regarding this option may be obtained by contacting INVESCO.

Fund shareholders (other than shareholders holding Fund shares in accounts of IRA plans) may request expedited redemption of shares having a value of at least \$250 (or redemption of all shares if their value is less than \$250), held in accounts maintained in their name by telephoning redemption instructions to INVESCO, using the telephone number on the cover of this Prospectus. The redemption proceeds, at the shareholder's option, either will be mailed to the address listed for the shareholder's Fund account, or wired (minimum of \$1,000) or mailed to the bank which the shareholder has designated to receive the proceeds of telephone redemptions. The Fund charges no fee for effecting such telephone redemptions. Unless the Fund's management permits a larger redemption request to be placed by telephone, a shareholder may not place a redemption request by telephone in excess of \$25,000. These telephone redemption privileges may be modified or terminated in the future at the discretion of the Fund's management.

For INVESCO Trust Company sponsored federal income tax-sheltered retirement plans, the term "shareholders" is defined to mean plan trustees that file a written request to be able to redeem Fund shares by telephone. Shareholders should understand that, while the Fund will attempt to process all telephone redemption requests on an expedited basis, there may be times, particularly in periods of severe economic or market disruption, when (a) they

may encounter difficulty in placing a telephone redemption request, and (b) processing telephone redemptions will require up to seven business days following receipt of the redemption request, or additional time because of the unusual circumstances set forth above.

The privilege of redeeming Fund shares by telephone is available to shareholders automatically unless expressly declined. By signing a new account Application, a Telephone Redemption Authorization form or otherwise utilizing telephone redemption privileges, the shareholder has agreed that the Fund will not be liable for following instructions communicated by telephone that it reasonably believes to be genuine. The Fund employs procedures, which it believes are reasonable, designed to confirm that telephone instructions are genuine. These may include recording telephone instructions and providing written confirmation of transactions initiated by telephone. As a result of this policy, the investor may bear the risk of any loss due to unauthorized or fraudulent instructions; provided, however, that if the Fund fails to follow these or other reasonable procedures, the Fund may be liable.

DIVIDENDS, CAPITAL GAIN DISTRIBUTIONS, AND TAXES

Dividends and Capital Gain Distributions. Substantially all of the Fund's net investment income will be paid out to shareholders. Net investment income consists of all interest income accrued on portfolio securities, less all expenses of the Fund for the applicable period. Dividends from net investment income are declared daily and paid monthly. Dividends and capital gains, if any, are automatically reinvested in additional shares of the Fund at the net asset value on the ex-dividend date, unless you request otherwise. (See "Services Provided by the Fund--Reinvestment of Distributions.")

Taxes. The Fund intends to distribute substantially all of its net investment income and capital gains, if any, to shareholders, and to continue to qualify for tax treatment under Subchapter M of the Internal Revenue Code as a regulated investment company. Thus, it is not expected that the Fund will be required to pay any federal income taxes. Shareholders (other than those exempt from income tax) normally will have to pay federal income taxes, and any state and local income taxes, on the dividends and distributions they receive from the Fund, whether such dividends and distributions are received in cash or reinvested in additional shares. Shareholders of the Fund are advised to consult their own tax advisers with respect to these matters.

Under the Internal Revenue Code as currently in effect, distributions of net investment income and net realized short-term capital gains are taxable as ordinary income to shareholders, and no portion of such distributions qualifies for the dividends-received deduction for corporations. At the end of each calendar year, shareholders are sent full information on the Fund's income, dividends and capital gain distributions for tax purposes. Shareholders of the Fund are advised to consult their own tax advisers with respect to these matters.

The Fund is required to withhold and remit to the U.S. Treasury 31% of dividend payments, capital gain distributions, and redemption proceeds for any account on which the owner provides an incorrect taxpayer identification number, no number, or no certified number for a new account.

ADDITIONAL INFORMATION

Voting Rights. All shares of the Fund, and the other two funds of the Company, have equal voting rights based on one vote for each share owned. The Company is not generally required and does not expect to hold regular annual meetings of shareholders; however, the board of directors will call special meetings of shareholders for the purpose, among other reasons, of voting upon the question of removal of a director or directors when requested to do so in writing by the holders of 10% or more of the outstanding shares of the Company or as may be required by applicable law or the Company's Articles of Incorporation. The Company will assist shareholders in communicating with other shareholders as required by the Investment Company Act of 1940. Directors may be removed by action of the holders of a majority of the outstanding shares of the Company.

Shareholder Inquiries. All inquiries regarding the Fund should be directed to the Fund at the telephone number or mailing address set forth on the cover page of this Prospectus.

Transfer and Dividend Disbursing Agent. INVESCO Funds Group, Inc., 7800 E. Union Avenue, Denver, Colorado 80237, acts as registrar, transfer agent, and dividend disbursing agent for the Fund pursuant to a Transfer Agency Agreement which provides that the Fund will pay a fee of \$21.00 per shareholder account or omnibus account participant per year. The transfer agency fee is not charged to each shareholder's or participant's account but is an expense of the Fund to be paid from the Fund's assets. In addition, registered broker-dealers, third party administrators of tax-qualified retirement plans and other entities may provide sub-transfer agency services to the Fund which reduce or eliminate the need for identical services to be provided on behalf of the Fund by INVESCO. In such cases, INVESCO is authorized to pay the third party an annual sub-transfer agency fee of up to \$21.00 per participant in the third party's omnibus account out of the transfer agency fee which is paid to INVESCO by the Fund.

INVESCO MONEY MARKET FUNDS, INC.

INVESCO U.S. Government Money Fund
A no-load mutual fund seeking
safety and current income.

PROSPECTUS
September 30, 1994

To receive general information and prospectuses on any of INVESCO's funds or retirement plans, or to obtain current account or price information, call toll-free:

1-800-525-8085

To reach PAL, your 24-hour Personal Account Line, call:

1-800-424-8085

Or write to:

INVESCO Funds Group, Inc., Distributor
7800 E. Union Avenue, Suite 800
Post Office Box 173706
Denver, Colorado 80217-3706

If you're in Denver, visit one of our convenient Investor Centers:

Cherry Creek
155-B Fillmore Street

Denver Tech Center
7800 East Union Avenue
Lobby Level