

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

DREYFUS BASIC U S GOVERNMENT MONEY MARKET FUND

CIK: **885408** | IRS No.: **133662294** | State of Incorporation: **MA** | Fiscal Year End: **0228**
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Business Address
200 PARK AVENUE
C/O DREYFUS CORP
NEW YORK NY 10166
2129226130

President's Letter

Dear Shareholder:

For the Fund's fiscal year ended February 28, 1994, the annualized yield of the Dreyfus BASIC U.S. Government Money Market Fund was 3.24%, which is the equivalent of an annualized effective yield of 3.28% after taking into account the effect of compounding.* Since inception, the Fund has consistently been among the top-performing government money funds in its category as reported by IBC/Donoghue's Money Fund Report.+

Throughout 1993, the Federal Reserve Board kept short-term interest rates at very low levels to stimulate the economy, to promote new construction, and to help improve the health of the U.S. banking system. By the fourth quarter, improvement in these key areas was becoming evident. Fourth quarter GDP (Gross Domestic Product) came in with a blistering increase of 7.5%. The pace of economic activity was accelerating and interest rates rebounded off their lows.

Reversing the trend of lower interest rates seen in recent years, the Federal Reserve raised short-term rates by .25% (25 basis points) in early February. The timing of the tightening caught the fixed-income market somewhat by surprise as it was widely felt that the first tightening action would be prompted by higher inflation indicators. Even now, the level of core inflation, as reflected by the Consumer Price Index (CPI) and the Producer Price Index (PPI), would not normally cause concern. The Federal Reserve is clearly being very diligent in pursuing their anti-inflation agenda: raising rates to defend against potential higher inflation. It has yet to be seen whether this is the first of repeated interest rate increases or if the Federal Reserve will wait to see the impact of this initial tightening.

We have been purchasing securities with relatively short maturities in order to reduce the average maturity of the Fund. This will enable the Fund to take advantage of the higher short-term interest rate environment and to protect the Fund against further rate increases.

We thank you for investing with Dreyfus and look forward to continuing to serve your investment needs.

Sincerely,

(Joseph S. DiMartino Signature Logo)

Joseph S. DiMartino
President

March 14, 1994
New York, N.Y.

* Annualized effective yield is based upon dividends declared daily and reinvested monthly.

+ Source: IBC/Donoghue's Money Fund Report for the reported 7-day periods between 5/12/92 and 2/28/94. Certain Fund expenses were absorbed during this period without which the Fund's actual rankings would have been lower. Yield fluctuates and past performance is no guarantee of future results.

<TABLE>
<CAPTION>

Dreyfus BASIC U.S. Government Money Market Fund
Statement of Investments

February 28, 1994

	Annualized Yield on Date of Purchase	Principal Amount	Value
	-----	-----	-----
U.S. Treasury Notes-1.9%			
<S>	<C>	<C>	<C>
6.875%, 8/15/94 (cost \$5,078,281).....	3.34%	\$ 5,000,000	\$ 5,078,281 =====
U.S. Government Agencies--92.9%			
Federal Farm Credit Banks, Consolidated Systemwide, Floating Rate Notes			
4/29/94.....	3.15% (a)	\$15,000,000	\$ 15,000,000

Federal Farm Credit Banks, Discount Notes			
5/6/94.....	3.32	5,000,000	4,970,117
5/17/94.....	3.32	10,000,000	9,930,058
5/18/94.....	3.34	10,000,000	9,928,933
5/23/94.....	3.35	9,700,000	9,626,301
12/6/94.....	3.62	3,000,000	2,918,567
Federal Home Loan Banks, Consolidated Systemwide, Floating Rate Bonds			
9/1/94.....	3.10 (a)	2,000,000	1,998,122
10/1/94.....	3.28 (a)	7,000,000	6,993,770
1/31/97.....	3.58 (a)	20,000,000	20,000,000
Federal Home Loan Banks, Discount Notes			
4/21/94.....	3.27	10,000,000	9,954,327
5/16/94.....	3.24	3,000,000	2,979,923
5/31/94.....	3.51	12,000,000	11,894,440
7/8/94.....	3.50	7,000,000	6,913,463
8/24/94.....	3.65	10,000,000	9,824,978
Federal Home Loan Mortgage Corp., Discount Notes			
8/15/94.....	3.38	2,745,000	2,703,106
Federal National Mortgage Association, Consolidated Systemwide, Floating Rate Notes			
7/8/94.....	3.30 (a)	15,000,000	14,997,349
2/14/97.....	3.64 (a)	10,000,000	10,000,000
Federal National Mortgage Association, Discount Notes			
3/22/94.....	3.20	5,000,000	4,990,842
4/1/94.....	3.26	4,000,000	3,988,909
4/7/94.....	3.41	5,000,000	4,982,888
5/3/94.....	3.21	9,800,000	9,745,806
5/23/94.....	3.22	3,970,000	3,941,168
5/25/94.....	3.25	5,000,000	4,962,458
5/26/94.....	3.25	5,000,000	4,961,897
6/13/94.....	3.32	5,000,000	4,952,911
6/30/94.....	3.27	5,000,000	4,946,390
8/15/94.....	3.42	3,900,000	3,839,393
8/25/94.....	3.38	5,000,000	4,919,121
9/19/94.....	3.39	6,000,000	5,888,395
10/3/94.....	3.33	5,000,000	4,902,200
10/5/94.....	3.54	5,000,000	4,895,542
10/13/94.....	3.56	3,000,000	2,934,837
10/18/94.....	3.40	5,000,000	4,893,804
10/25/94.....	3.41	8,000,000	7,824,409

Dreyfus BASIC U.S. Government Money Market Fund
Statement of Investments (continued)

February 28, 1994

	Annualized Yield on Date of Purchase	Principal Amount	Value
	-----	-----	-----
U.S. Government Agencies (continued)			
Student Loan Marketing Association, Floating Rate Notes			
8/22/94.....	3.55% (a)	\$ 1,000,000	\$ 1,001,334
12/30/94.....	3.63 (a)	2,110,000	2,110,592
3/20/95.....	3.59 (a)	2,200,000	2,207,843
8/7/95.....	3.63 (a)	2,200,000	2,201,365
3/20/96.....	3.64 (a)	1,000,000	1,000,925
TOTAL U.S. GOVERNMENT AGENCIES (cost \$246,726,483).....			\$246,726,483
			=====
Repurchase Agreement--4.6%			
Kidder, Peabody & Co. Inc.			
dated 2/28/94, due 3/1/94 in the amount of \$12,171,149			
(fully collateralized by \$12,155,000 U.S. Treasury			
Notes, 6 7/8% due 8/15/94, value \$12,362,046)			
(cost \$12,170,000).....	3.40%	\$12,170,000	\$ 12,170,000
			=====
TOTAL INVESTMENTS (cost \$263,974,764).....			\$263,974,764
			=====
CASH AND RECEIVABLES (NET).....			\$ 1,716,008
			=====
NET ASSETS.....			\$265,690,772
			=====

Note to Statement of Investments;
(a) Variable interest rate-subject to periodic change.
See notes to financial statements.

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Dreyfus BASIC U.S. Government Money Market Fund

Statement of Assets and Liabilities

February 28, 1994

ASSETS:			
<S>		<C>	<C>
Investments in securities, at value-Note 1(a,b).....			\$263,974,764
Cash.....			1,457,782
Interest receivable.....			300,001
Prepaid expenses.....			84,640

			265,817,187
LIABILITIES:			
Payable for shares of Beneficial Interest redeemed.....	\$	2,527	
Accrued expenses.....		123,888	126,415

NET ASSETS.....			\$265,690,772
			=====
REPRESENTED BY:			
Paid-in capital.....			\$265,694,506
Accumulated net realized (loss) on investments.....			(3,734)

NET ASSETS at value applicable to 265,694,506 shares outstanding (unlimited number of \$.001 par value shares of Beneficial Interest authorized).....			\$265,690,772
			=====
NET ASSET VALUE, offering and redemption price per share (\$265,690,772 / 265,694,506 shares).....			\$1.00
			=====

Statement of Operations

year ended February 28, 1994

INVESTMENT INCOME:			
Interest Income.....		\$	6,687,693
Expenses:			
Management fee-Note 2(a).....		\$1,025,561	
Shareholder servicing costs-Note 2(b).....		120,375	
Registration fees.....		95,297	
Custodian fees.....		29,595	
Auditing fees.....		23,787	
Prospectus and shareholders' reports.....		21,844	
Trustees' fees and expenses-Note 2(c).....		14,166	
Organization expenses.....		11,011	
Legal fees.....		7,642	
Miscellaneous.....		7,890	

			1,357,168
Less-expense reimbursement from Manager due to undertakings-Note 2(a).....			1,316,390

Total Expenses.....			40,778

INVESTMENT INCOME-NET.....			6,646,915
NET REALIZED (LOSS) ON INVESTMENTS-Note 1(b).....			(3,118)

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....		\$	6,643,797
			=====

See notes to financial statements.

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Dreyfus BASIC U.S. Government Money Market Fund

Statement of Changes in Net Assets

Year Ended February 28,

OPERATIONS:		-----	-----
		1993*	1994
		-----	-----

<S>	<C>	<C>
Investment income-net.....	\$ 1,933,379	\$ 6,646,915
Net realized (loss) on investments.....	(616)	(3,118)
	-----	-----
Net Increase In Net Assets Resulting From Operations.....	1,932,763	6,643,797
	-----	-----
DIVIDENDS TO SHAREHOLDERS FROM;		
Investment income-net.....	(1,912,372)	(6,667,922)
	-----	-----
BENEFICIAL INTEREST TRANSACTIONS (\$1.00 per share):		
Net proceeds from shares sold.....	209,517,777	443,808,311
Dividends reinvested.....	1,798,915	6,396,795
Cost of shares redeemed.....	(94,741,190)	(301,186,102)
	-----	-----
Increase In Net Assets From Beneficial Interest Transactions.....	116,575,502	149,019,004
	-----	-----
Total Increase In Net Assets.....	116,595,893	148,994,879
NET ASSETS:		
Beginning of year.....	100,000	116,695,893
	-----	-----
End of year (including undistributed investment income-net; \$21,007 at February 28, 1993).....	\$116,695,893	\$265,690,772
	=====	=====

* From April 24, 1992 (commencement of operations) to February 28, 1993.
See notes to financial statements.

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Dreyfus BASIC U.S. Government Money Market Fund

Financial Highlights

Contained below is per share operating performance data for a share of Beneficial Interest outstanding, total investment return, ratios to average net assets and other supplemental data for each year indicated. This information has been derived from information provided in the Fund's financial statements.

	Year Ended February 28,	

PER SHARE DATA:	1993 (1)	1994
	-----	-----
<S>	<C>	<C>
Net asset value, beginning of year.....	\$1.0000	\$1.0002
	-----	-----
Investment Operations:		
Investment income-net.....	.0315	.0324
Net realized (loss) on investments.....	--	(.0001)
	-----	-----
Total from Investment Operations.....	.0315	.0323
	-----	-----
Distributions;		
Dividends from investment income-net.....	(.0313)	(.0325)
	-----	-----
Net asset value, end of year.....	\$1.0002	\$1.0000
	=====	=====
TOTAL INVESTMENT RETURN	3.69% (2)	3.30%
RATIOS/SUPPLEMENTAL DATA:		
Ratio of expenses to average net assets.....	--	.02%
Ratio of net investment income to average net assets.....	3.58% (2)	3.24%
Decrease reflected in above expense ratios due to undertakings by the Manager.....	.75% (2)	.64%
Net Assets, end of year (000's Omitted).....	\$116,696	\$265,691

(1) From April 24, 1992 (commencement of operations) to February 28, 1993.

(2) Annualized.

See notes to financial statements.

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Dreyfus BASIC U.S. Government Money Market Fund

NOTES TO FINANCIAL STATEMENTS

NOTE 1-Significant Accounting Policies:

The Fund is registered under the Investment Company Act of 1940 ("Act") as a diversified open-end management investment company. Dreyfus Service Corporation ("Distributor") acts as the exclusive distributor of the

Fund's shares, which are sold to the public without a sales charge. The Distributor is a wholly-owned subsidiary of The Dreyfus Corporation ("Manager").

It is the Fund's policy to maintain a continuous net asset value per share of \$1.00; the Fund has adopted certain investment, portfolio valuation and dividend and distribution policies to enable it to do so.

(a) Portfolio valuation: Investments are valued at amortized cost, which has been determined by the Fund's Board of Trustees to represent the fair value of the Fund's investments.

(b) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Interest income is recognized on the accrual basis. Cost of investments represents amortized cost.

The Fund may enter into repurchase agreements with financial institutions, deemed to be creditworthy by the Manager, subject to the seller's agreement to repurchase and the Fund's agreement to resell such securities at a mutually agreed upon price. Securities purchased subject to repurchase agreements are deposited with the Fund's custodian and, pursuant to the terms of the repurchase agreement, must have an aggregate market value greater than or equal to the repurchase price plus accrued interest at all times. If the value of the underlying securities falls below the value of the repurchase price plus accrued interest, the Fund will require the seller to deposit additional collateral by the next business day. If the request for additional collateral is not met, or the seller defaults on its repurchase obligation, the Fund maintains the right to sell the underlying securities at market value and may claim any resulting loss against the seller.

(c) Dividends to shareholders: It is the policy of the Fund to declare dividends daily from investment income-net. Such dividends are paid monthly. Dividends from net realized capital gain, if any, are normally declared and paid annually, but the Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code. To the extent that net realized capital gain can be offset by capital loss carryovers, it is the policy of the Fund not to distribute such gain.

(d) Federal income taxes: It is the policy of the Fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the provisions available to certain investment companies, as defined in applicable sections of the Internal Revenue Code, and to make distributions of taxable income sufficient to relieve it from all, or substantially all, Federal income taxes.

The Fund has an unused capital loss carryover of \$2,468 available for Federal income tax purposes to be applied against future net securities profits, if any, realized subsequent to February 28, 1994. The carryover does not include net realized securities losses from November 1, 1993 through February 28, 1994 which are treated, for Federal income tax purposes, as arising in fiscal 1995. If not applied, \$199 of the carryover expires in fiscal 2001 and \$2,269 of the carryover expires in fiscal 2002.

At February 28, 1994, the cost of investments for Federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

Dreyfus BASIC U.S. Government Money Market Fund

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 2-Management Fee and Other Transactions With Affiliates:

(a) Pursuant to a management agreement ("Agreement") with the Manager, the management fee is computed at the annual rate of .50 of 1% of the average daily value of the Fund's net assets and is payable monthly. The Agreement provides for an expense reimbursement from the Manager should the Fund's aggregate expenses, exclusive of taxes, brokerage, interest on borrowings and extraordinary expenses, exceed the expense limitation of any state having jurisdiction over the Fund for any full fiscal year. The most stringent state expense limitation applicable to the Fund presently requires reimbursement of expenses in any full fiscal year that such expenses (excluding certain expenses as described above) exceed 2 1/2% of the first \$30 million, 2% of the next \$70 million and 1 1/2% of the excess over \$100 million of the average value of the Fund's net assets in accordance with California "blue sky" regulations. However, the Manager has undertaken from March 1, 1993 through September 30, 1993,

to reimburse all fees and expenses of the Fund (excluding applicable shareholder transaction charges and certain expenses as described above) and thereafter had undertaken through February 28, 1994 to reduce the management fee paid by, and reimburse such excess expenses of the Fund, to the extent that the Fund's aggregate expenses (excluding certain expenses as described above) exceeded specified annual percentages of the Fund's average daily net assets. The expense reimbursement, pursuant to the undertakings, amounted to \$1,316,390 for the year ended February 28, 1994.

In addition, the Manager has undertaken through June 30, 1996 to reduce the management fee paid by the Fund, to the extent that the Fund's aggregate expenses (excluding certain expenses as described above) exceed an annual rate of .45 of 1% of the average daily value of the Fund's net assets.

The undertaking may be modified by the Manager from time to time, provided that the resulting expense reimbursement would not be less than the amount required pursuant to the Agreement.

(b) Pursuant to the Fund's Shareholder Services Plan, the Fund reimburses the Distributor an amount not to exceed an annual rate of .25 of 1% of the value of the Fund's average daily net assets for servicing shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts. During the year ended February 28, 1994, the Fund was charged an aggregate of \$106,223 pursuant to the Shareholder Services Plan.

(c) Certain officers and trustees of the Fund are "affiliated persons," as defined in the Act, of the Manager and/or the Distributor. Each trustee who is not an "affiliated person" receives an annual fee of \$1,500 and an attendance fee of \$250 per meeting.

(d) On December 5, 1993, the Manager entered into an Agreement and Plan of Merger (the "Merger Agreement") providing for the merger of the Manager with a subsidiary of Mellon Bank Corporation ("Mellon").

Following the merger, it is planned that the Manager will be a direct subsidiary of Mellon Bank, N.A. Closing of this merger is subject to a number of contingencies, including receipt of certain regulatory approvals and approvals of the stockholders of the Manager and of Mellon. The merger is expected to occur in mid-1994, but could occur later.

As a result of regulatory requirements and the terms of the Merger Agreement, the Manager will seek various approvals from the Fund's board and shareholders before completion of the merger. Shareholder approval will be solicited by a proxy statement.

Dreyfus BASIC U.S. Government Money Market Fund
Report of Ernst & Young, Independent Auditors
Shareholders and Board of Trustees
Dreyfus BASIC U.S. Government Money Market Fund

We have audited the accompanying statement of assets and liabilities of Dreyfus BASIC U.S. Government Money Market Fund, including the statement of investments, as of February 28, 1994, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the years indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of February 28, 1994 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial

position of Dreyfus BASIC U.S. Government Money Market Fund at February 28, 1994, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the indicated years, in conformity with generally accepted accounting principles.

(Ernst & Young Signature)

New York, New York
April 5, 1994

(Dreyfus Lion Logo)

BASIC
U.S. Government
Money Market Fund
Annual Report
February 28, 1994

(Dreyfus Lion "D" Logo)

Dreyfus BASIC U.S. Government
Money Market Fund
144 Glenn Curtiss Boulevard
Uniondale, NY 11556
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200 Park Avenue
New York, NY 10166
Distributor
Dreyfus Service Corporation
200 Park Avenue
New York, NY 10166
Custodian
The Bank of New York
110 Washington Street
New York, NY 10286
Transfer Agent &
Dividend Disbursing Agent
The Shareholder Services Group, Inc.
P.O. Box 9671
Providence, RI 02940

Further information is contained in the Prospectus,
which must precede or accompany this report.

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