

ELLSWORTH FUND LTD
Form N-Q
August 28, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-04656

Ellsworth Fund Ltd.

(Exact name of registrant as specified in charter)

65 Madison Avenue, Morristown, New Jersey 07960-7308

(Address of principal executive offices) (Zip code)

Thomas H. Dinsmore

Ellsworth Fund Ltd.

65 Madison Avenue

Morristown, New Jersey 07960-7308

(Name and address of agent for service)

Copy to:

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Steven B. King, Esq.

Ballard Spahr Andrews & Ingersoll, LLP

1735 Market Street, 51st Floor

Philadelphia, PA 19103-7599

Registrant's telephone number, including area code: 973-631-1177

Date of fiscal year end: September 30, 2009

Date of reporting period: June 30, 2009

ITEM 1. SCHEDULE OF INVESTMENTS.

Ellsworth Fund Ltd. - Portfolio of Investments (unaudited)
June 30, 2009

| | Principal Amount | Value (Note 1) |
|---|-----------------------------|---------------------------|
| CONVERTIBLE BONDS AND NOTES - 68.6% | | |
| Aerospace and Defense - 1.2% | | |
| Alliant Techsystems Inc. 2.75%, due 2011 cv. sr. sub. notes (B1) | \$ 1,000,000 | \$ 1,048,750 |
| Computer Hardware - 3.7% | | |
| EMC Corp. 1.75%, due 2013 cv. sr. notes (A-) | 1,000,000 | 1,025,000 |
| NETAPP, Inc. 1.75%, due 2023 cv. sr. notes (NR) (Acquired 01/15/09 and 04/02/09; Cost \$1,207,500) (2) | 1,500,000 | 1,325,625 |
| Richardson Electronics, Ltd. 8%, due 2011 cv. sr. sub. notes (NR) | 1,000,000 | 797,500 |
| | | 3,148,125 |
| Computer Software - 3.7% | | |
| Blackboard Inc. 3.25%, due 2027 cv. sr. notes (BB-) | 2,500,000 | 2,287,500 |
| GSI Commerce, Inc. 2.5%, due 2027 cv. sr. notes (NR) | 1,000,000 | 740,000 |
| Lehman Brothers Holdings Inc. 1%, due 2009 medium-term notes (NR) (performance linked to Microsoft Corp. common stock) (1,3) | 1,500,000 | 127,500 |
| | | 3,155,000 |
| Consumer Goods - 2.2% | | |
| Chattem, Inc. 1.625%, due 2014 cv. sr. notes (NR) | 1,808,000 | 1,887,100 |
| Energy - 9.1% | | |
| Chesapeake Energy Corp. 2.75%, due 2035 contingent cv. sr. notes (Ba3) (1) | 1,910,000 | 1,664,088 |
| Covanta Holding Corp. 1%, due 2027 cv. sr. deb. (Ba3) (1) | 2,000,000 | 1,745,000 |
| McMoRan Exploration Co. 5.25%, due 2011 cv. sr. notes (NR) | 1,340,000 | 1,189,250 |
| Oil States International, Inc. 2.375%, due 2025 contingent cv. sr. notes (NR) | 1,575,000 | 1,571,063 |
| SunPower Corp. 1.25%, due 2027 cv. sr. deb. (NR) | 1,500,000 | 1,156,875 |
| Trina Solar Ltd. 4%, due 2013 cv. sr. notes (NR) (exchangeable for ADS representing common shares) | 500,000 | 415,625 |

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| | | |
|---|-----------|-----------|
| | | 7,741,901 |
| Financial Services - 3.5% | | |
| Old Republic International Corp. 8%, due 2012 cv. sr. notes (BBB) | 1,000,000 | 1,023,750 |
| Euronet Worldwide, Inc. 3.50%, due 2025 cv. deb. (B+) (1) | 2,250,000 | 1,977,188 |
| | | 3,000,938 |
| Foods - 3.4% | | |
| Central European Distribution Corp. 3%, due 2013 cv. sr. notes (B-) | 1,000,000 | 686,250 |
| The Great Atlantic & Pacific Tea Company, Inc. 5.125%, due 2011 cv. sr. notes (Caa1) | 525,000 | 385,875 |
| The Great Atlantic & Pacific Tea Company, Inc. 6.75%, due 2012 cv. sr. notes (Caa1) | 1,225,000 | 753,375 |
| Tyson Foods, Inc. 3.25%, due 2013 cv. sr. notes (BB) | 1,000,000 | 1,013,750 |
| | | 2,839,250 |
| Healthcare - 8.6% | | |
| China Medical Technologies, Inc. 4%, due 2013 cv. sr. sub. notes (NR) (exchangeable for ADS representing common stock) | 1,750,000 | 1,117,813 |
| Greatbatch, Inc. 2.25%, due 2013 cv. sub. deb. (NR) (1) | 1,500,000 | 1,252,500 |
| Kinetic Concepts, Inc. 3.25%, due 2015 cv. sr. notes (B+) | 2,000,000 | 1,567,500 |
| Millipore Corp. 3.75%, due 2026 cv. sr. notes (BB-) (1) | 1,750,000 | 1,736,875 |
| Omnicare, Inc. 3.25%, due 2035 cv. sr. deb. (B3) (1) | 850,000 | 592,875 |
| SonoSite Inc. 3.75%, due 2014 cv. sr. notes (NR) | 1,250,000 | 1,068,750 |
| | | 7,336,313 |
| Information Technology - 0.6% | | |
| Itron, Inc. 2.50%, due 2026 cv. sub. deb. (B-) | 500,000 | 548,750 |
| Minerals and Mining - 1.2% | | |
| Goldcorp Inc. 2%, due 2014 cv. sr. notes (BBB+) (Acquired 06/02/09; Cost \$1,000,000) (2) | 1,000,000 | 986,700 |

Ellsworth Fund Ltd. - Portfolio of Investments (continued)
June 30, 2009

| | Principal Amount | Value (Note 1) |
|--|---------------------|-------------------|
| CONVERTIBLE BONDS AND NOTES - continued | | |
| Multi-Industry - 3.2% | | |
| Diversa Corp. 5.5%, due 2027 cv. sr. notes (NR) (exchangeable for Verenum Corp. common stock) | \$ 750,000 | \$ 169,688 |
| LSB Industries, Inc. 5.5%, due 2012 cv. sr. sub. deb. (NR) | 3,000,000 | 2,538,750 |
| | | 2,708,438 |
| Pharmaceuticals - 9.0% | | |
| Biovail Corp. 5.375%, due 2014 cv. sr. notes (NR) (Acquired 06/04/09; Cost \$125,000) (2) | 125,000 | 140,000 |
| Cephalon, Inc. 2.5%, due 2014 cv. sr. sub. notes (NR) | 1,000,000 | 997,500 |
| Endo Pharmaceuticals Holdings, Inc. 1.75%, due 2015 cv. sr. sub. notes (NR) (Acquired 01/15/09 and 04/02/09; Cost \$1,264,897) (2) | 1,500,000 | 1,213,125 |
| Mylan Inc. 3.75%, due 2015 cash cv. notes (B+) | 1,000,000 | 1,123,750 |
| Mylan Laboratories, Inc. 1.25%, due 2012 cv. sr. notes (B+) | 500,000 | 435,625 |
| Teva Pharmaceutical Finance Co. B.V. 1.75%, due 2026 cv. sr. deb. (Baa2) (exchangeable for Teva Pharmaceutical Industries Ltd. ADR) | 1,500,000 | 1,693,125 |
| Wyeth floating rate, due 2024 cv. sr. deb. (A3) | 2,000,000 | 2,006,200 |
| | | 7,609,325 |
| Retail - 1.6% | | |
| RadioShack Corp. 2.5%, due 2013 cv. sr. notes (BB) | 1,500,000 | 1,366,875 |
| Semiconductors - 2.6% | | |
| Intel Corp. 2.95%, due 2035 jr. sub. cv. deb. (A-) (1) | 2,000,000 | 1,690,000 |
| LSI Logic Corp. 4%, due 2010 cv. sub. notes. (NR) | 500,000 | 491,250 |
| | | 2,181,250 |
| Telecommunications - 12.5% | | |

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| | | |
|--|-----------|------------|
| ADC Telecommunications Inc. floating rate, due 2013 cv. sub. notes (NR) | 1,750,000 | 1,288,438 |
| Anixter International Inc. 1%, due 2013 cv. sr. notes (BB-) | 1,500,000 | 1,243,125 |
| CommScope, Inc. 3.25%, due 2015 cv. sr. sub. notes (B) | 500,000 | 570,000 |
| Comtech Telecommunications Corp. cv. sr. notes (NR) (Acquired 05/04/09; Cost \$1,000,000) (2) | 1,000,000 | 1,040,000 |
| Equinix, Inc. 2.5%, due 2012 cv. sub. notes (B-) | 2,500,000 | 2,250,000 |
| General Cable Corp. 1%, due 2012 cv. sr. notes (B1) | 1,500,000 | 1,185,000 |
| NII Holdings, Inc. 2.75%, due 2025 cv. notes (NR) | 1,750,000 | 1,645,000 |
| SAVVIS, Inc. 3%, due 2012 cv. sr. notes (NR) | 1,800,000 | 1,361,250 |
| | | 10,582,813 |
| Transportation - 1.9% | | |
| ExpressJet Holdings, Inc. 4.25%, due 2023 cv. notes (NR) | 900,000 | 643,500 |
| JetBlue Airways Corp. 3.75%, due 2035 cv. deb. (CCC) | 1,000,000 | 962,500 |
| | | 1,606,000 |
| Travel and Leisure - 0.6% | | |
| Morgans Hotel Group 2.375%, due 2014 cv. sr. sub. notes (NR) | 1,000,000 | 501,250 |
| TOTAL CONVERTIBLE BONDS AND NOTES | | 58,248,778 |
| CORPORATE BONDS AND NOTES - 0.9% | | |
| Retail - 0.9% | | |
| Amerivon Holdings LLC 4%, due 2010 units (NR) (Acquired 06/01/07; Cost \$1,500,000) (2,3) | 1,500,000 | 750,000 |

Ellsworth Fund Ltd. - Portfolio of Investments (continued)
June 30, 2009

| | Shares | Value (Note 1) |
|---|--------|-------------------|
| CONVERTIBLE PREFERRED STOCKS - 8.7% | | |
| Banking/Savings and Loan - 4.7% | | |
| Bank of America Corp. 7.25% non-cum. perpetual cv. pfd., series L (B3) | 1,000 | \$ 836,030 |
| New York Community Bancorp, Inc. 6% BONUSSES units (Baa1) | 39,178 | 1,303,844 |
| Sovereign Capital Trust IV 4.375% PIERS (Baa2) (exchangeable for Sovereign Bancorp, Inc. common stock) (1) | 14,000 | 292,250 |
| Wells Fargo Corp perpetual cv. pfd., series L (B2) | 2,000 | 1,569,940 |
| | | 4,002,064 |
| Chemicals - 1.5% | | |
| Celanese Corp. 4.25% perpetual cv. pfd. (NR) | 40,000 | 1,263,200 |
| Energy - 1.2% | | |
| Whiting Petroleum Corp. 6.25% perpetual cv. pfd. (B-) | 10,000 | 986,400 |
| Minerals and Mining - 1.3% | | |
| Freeport-McMoRan Copper & Gold Inc. 5.5% cv. perpetual pfd. (BB) | 1,000 | 1,125,250 |
| TOTAL CONVERTIBLE PREFERRED STOCKS | | 7,376,914 |
| MANDATORY CONVERTIBLE SECURITIES - 7.6% | | |
| Energy - 3.4% | | |
| Bristow Group Inc. 5.5%, due 09/15/09 mandatory cv. pfd. (B) | 20,000 | 813,800 |
| Great Plains Energy, Inc. 12%, due 06/15/12 equity units (NR) (1) | 20,000 | 1,150,000 |
| Merrill Lynch & Co., Inc. 5.4%, due 09/27/10 PRIDES (A+) | | |

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| | | |
|--|--------|----------------------|
| (linked to the performance of ConocoPhillips common stock) | 2,000 | 941,510 2,905,310 |
| Foods - 0.1% | | |
| Lehman Brothers Holdings Inc. 6%, due 10/12/10 PIES (NR) (exchangeable for General Mills, Inc. common stock) (3) | 50,000 | 106,250 |
| Minerals and Mining - 2.7% | | |
| Freeport-McMoRan Copper & Gold Inc. 6.75%, due 05/01/10 mandatory cv. pfd. (BB) | 10,000 | 794,300 |
| Vale Capital Ltd. 5.5%, due 06/15/10 mandatory cv. notes (BBBH) (exchangeable for ADS representing Vale S.A. common stock) | 30,000 | 1,100,700 |
| Vale Capital Ltd. 5.5%, due 06/15/10 mandatory cv. notes (BBBH) (exchangeable for ADS representing Vale S.A. Preference A Shares) | 10,000 | 375,000 2,270,000 |
| Pharmaceuticals - 1.4% | | |
| Schering-Plough Corp. 6%, due 08/13/10 mandatory cv. pfd. (Baa3) | 5,000 | 1,133,500 |
| TOTAL MANDATORY CONVERTIBLE SECURITIES (5) | | 6,415,060 |
| COMMON STOCKS - 5.6% | | |
| Banking/Savings and Loan - 0.3% | | |
| Fifth Third Bancorp | 41,353 | 293,606 |
| Media and Entertainment - 2.3% | | |
| The Walt Disney Company | 82,500 | 1,924,725 |
| Pharmaceuticals - 1.4% | | |
| Johnson & Johnson | 20,500 | 1,164,400 |

Ellsworth Fund Ltd. - Portfolio of Investments (continued)
June 30, 2009

| | Shares | Value (Note 1) |
|--|--------|-------------------|
| COMMON STOCKS - continued | | |
| Telecommunications - 1.6% | | |
| AT&T | 55,000 | \$ 1,366,200 |
| TOTAL COMMON STOCKS | | 4,748,931 |
| Total Convertible Bonds and Notes - 68.6% | | \$ 58,248,775 |
| Total Corporate Bonds and Notes - 0.9% | | 750,000 |
| Total Convertible Preferred Stocks - 8.7% | | 7,376,914 |
| Total Mandatory Convertible Securities - 7.6% | | 6,415,060 |
| Total Common Stocks - 5.6% | | 4,748,931 |
| Total Investments - 91.4% | | 77,539,680 |
| Other assets and liabilities, net - 8.6% | | 7,323,640 |
| Total Net Assets - 100.0% | | \$ 84,863,320 |

(1) Contingent payment debt instrument (See Note 2).

(2) Security not registered under the Securities Act of 1933, as amended (e.g., the security was purchased in a Rule 144A or a Regulation D transaction). T

(3) Investment is valued at fair value as determined in good faith in accordance with procedures adopted by the Board of Trustees. It is possible that the est

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(4) Restricted securities include securities that have not been registered under the Securities Act of 1933, as amended, and securities that are subject to restriction. Amerivon Holdings LLC 4% units containing cv. promissory note and warrants due 2010, acquired June 1, 2007.

(5) These securities are required to be converted on the dates listed; they generally may be converted prior to these dates at the option of the holder.

Investment Abbreviations

ADR - American Depositary Receipts.

ADS - American Depositary Shares.

BONUSES - Bifurcated Option Note Unit Securities.

PIES - Premium Income Exchangeable Securities.

PIERS - Preferred Income Equity Redeemable Securities.

PRIDES - Preferred Redeemable Increased Dividend Equity Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's. NR is used whenever a rating is unavailable.

Summary of Portfolio Ratings *

| | |
|-----------|-----|
| AA | 0% |
| A | 8% |
| BBB | 11% |
| BB | 18% |
| B | 22% |
| CCC | 3% |
| Not Rated | 38% |

* Excludes equity securities and cash

Ellsworth Fund Ltd. - Selected Notes to Financial Statements (unaudited)

Ellsworth Fund Ltd. (the Fund), is registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company.

Note 1. Security Valuation - Investments in securities traded on a national securities exchange are valued at market using the last reported sales price, supplied by an independent pricing service, as of the close of regular trading. Listed securities, for which no sales were reported, are valued at the mean between closing reported bid and asked prices as of the close of regular trading. Unlisted securities traded in the over-the-counter market are valued using an evaluated quote provided by the independent pricing service, or, if an evaluated quote is unavailable, such securities are valued using prices received from dealers, provided that if the dealer supplies both bid and asked prices, the price to be used is the mean of the bid and asked prices. The independent pricing service derives an evaluated quote by obtaining dealer quotes, analyzing the listed markets, reviewing trade execution data and employing sensitivity analysis. Evaluated quotes may also reflect appropriate factors such as individual characteristics of the issue, communications with broker-dealers, and other market data. Securities for which quotations are not readily available, restricted securities and other assets are valued at fair value as determined in good faith pursuant to procedures approved by the Board of Trustees. Short-term debt securities with original maturities of 60 days or less are valued at amortized cost.

Note 2. Securities Transactions and Related Investment Income - Security transactions are accounted for on the trade date with gain or loss on the sale of securities being determined based upon identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis, including accretion of discounts and amortization of non-equity premium. For certain securities, known as contingent payment debt instruments, Federal tax regulations require the Fund to record non-cash, contingent interest income in addition to interest income actually received. Contingent interest income amounted to approximately 4 cents per share for the nine months ended June 30, 2009. In addition, Federal tax regulations require the Fund to reclassify realized gains on contingent payment debt instruments to interest income. At June 30, 2009, there were unrealized losses of approximately 18 cents per share on contingent payment debt instruments.

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The cost basis of investments for federal income tax purposes at June 30, 2009 was as follows:

| | |
|-------------------------------|----------------|
| Cost basis of investments | \$ 90,717,710 |
| Gross unrealized appreciation | 2,810,970 |
| Gross unrealized depreciation | (15,989,000) |
| Net unrealized depreciation | \$(13,178,030) |

ITEM 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures

(a) The Fund's principal executive officer and principal financial officer have concluded that the Fund's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the Act), (17 CFR 270.30a-3(c))) are effective as of August 11, 2009 based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the Act (17 CFR 270.30a-

3(b)) and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 17 CFR 240.15d-15(b)).

(b) There have been no changes in the Fund's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the Fund's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Fund's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications of the principal executive officer and the principal financial officer of the Fund, as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2(a)), are filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Fund has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ellsworth Fund Ltd.

By: /s/Thomas H. Dinsmore

Thomas H. Dinsmore
Chairman of the Board and
Chief Executive Officer
(Principal Executive Officer)

Date: August 28, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Fund and in the capacities

and on the dates indicated.

By: /s/Thomas H. Dinsmore

Thomas H. Dinsmore
Chairman of the Board and
Chief Executive Officer
(Principal Executive Officer)

Date: August 28, 2009

By: /s/Gary I. Levine

Gary I. Levine
Chief Financial Officer
(Principal Financial Officer)

Date: August 28, 2009
