

ELLSWORTH FUND LTD  
Form N-CSRS  
May 29, 2009  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-04656

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ELLSWORTH FUND LTD.

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(Exact name of registrant as specified in charter)

65 Madison Avenue, Morristown, New Jersey 07960-7308

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(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:

Steven B. King, Esq.

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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: March 31, 2009

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ITEM 1. REPORTS TO STOCKHOLDERS.

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## ELLSWORTH FUND LTD.

# 2009 Semi-Annual Report March 31, 2009

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*2009 Semi-Annual Report  
March 31, 2009*

Ellsworth Fund Ltd. operates as a closed-end, diversified management investment company and invests primarily in convertible securities, with the objectives of providing income and the potential for capital appreciation; which objectives the Fund considers to be relatively equal, over the long-term, due to the nature of the securities in which it invests.

*Highlights*

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### Performance through March 31, 2009 with dividends reinvested

	Calendar YTD	1 Year	Annualized 5 Years	Annualized 10 Years	10 Year Volatility *
Ellsworth market price	(1.17)%	(34.52)%	(3.98)%	1.22%	7.62%
Ellsworth net asset value	2.08	(30.90)	(3.68)	0.30	15.67
Merrill Lynch All Convertibles Index	2.80	(30.00)	(3.71)	1.33	21.65
S&P 500 Index	(11.01)	(38.09)	(4.76)	(2.99)	22.50
Barclays Aggregate Bond Total Return Index	0.12	3.13	4.13	5.70	3.96

All data in the table above is from Bloomberg L.P. pricing service, except Barclays Aggregate Bond Total Return Index, which is from Lipper, Inc. *Closed-End Fund Performance Analysis*, dated March 31, 2009.

Ellsworth's performance in the table above has not been adjusted for the fiscal 2004 rights offering; net asset value dilution was 2.21%. Performance data represents past results and does not reflect future performance.

\* Volatility is a measure of risk based on the standard deviation of the return. The greater the volatility, the greater the chance of a profit or risk of a loss.

### Quarterly History of NAV and Market Price

Qtr. Ended	Net Asset Values			Market Prices (NYSE Amex: symbol ECF)		
	High	Low	Close	High	Low	Close
6/30/08	\$9.12	\$8.62	\$8.66	\$8.10	\$7.62	\$7.77
9/30/08	8.62	7.05	7.18	7.62	5.24	5.30
12/31/08	7.10	5.06	5.55	5.50	4.10	4.88
3/31/09	5.76	5.21	5.59	5.28	4.09	4.76

### Dividend Distributions (12 Months)

Record Date	Payment Date	Income	Capital Gains	Total
5/15/08	5/29/08	\$ 0.090	\$	\$ 0.090
8/14/08	8/28/08	0.090		0.090
10/23/08	11/26/08	0.103		0.103
2/12/09	2/26/09	0.075		0.075
		\$ 0.358		\$ 0.358

## To Our Shareholders

May 11, 2009

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The convertible securities market has been among the leaders of the recent rally in the financial markets. The recapitalization and restructuring of the economy of the United States has begun and convertible securities are playing a major role. We have seen new issuances of convertible securities coming from many industries. In the first four months of 2009, over \$6.9 billion of convertible securities have been issued by companies such as Newmont Mining, Alcoa, Newell Rubbermaid, BorgWarner, and US Steel and include issues from industries such as metals, auto parts, insurance, and real estate. Similar issuance is occurring in Europe.

When economic times have been tough in the past, corporations often found that they were able to issue convertible securities to strengthen their capital structures. We expect the convertible securities market to play a similar role in the current economy as corporate treasurers conclude that a convertible securities offering may make sense for their corporations. Because of this development, management at Ellsworth Fund Ltd. is hopeful that we will have the choice of many new convertible securities in which to invest.

Convertible performance in 2009 has been less volatile than that of equities. The investment value of many convertible securities improved, which helped them hold their value as equities declined into March. Convertibles also provided upside participation in the rally which continued into May. We believe that convertible securities are currently very attractive as many offer substantial yields and still have some equity sensitivity.

In looking over the prospects for the future, we believe that the bear market that began in 2007 will have a second act. This next stage of the bear market will be precipitated by the need of the Federal Reserve Board to reduce the growth of the money supply and to reduce the probability of future inflation. We anticipate this tightening will happen when the Federal Reserve perceives that the banking system is adequately capitalized and out of immediate danger. This may occur later this year. In structuring the portfolio to meet this challenge, we have put 75% of the Fund's assets into convertible bonds which mature or can be put back to the issuer in eight years or less and that have a weighted average yield to maturity/put of 8.2%.

Performance for the three months ended March 31, 2009 was enhanced by the Fund's exposure to the minerals and mining, and telecommunications industries. Performance was hurt by the Fund's exposure to the financials sectors, primarily banks, insurance companies and investment bankers.

The Fund's net asset value (NAV) performed in line with the Merrill Lynch All Convertibles Index over the three-month, one- and five-year periods, and outperformed the Index for the ten-year period ended March 31, 2009 (after adjustment for the fiscal 2004 rights offering and the fact that the Index does not include expenses). The Fund's market return underperformed the Index for the three-month, one- and five-year periods, and performed in line with the Index for the ten-year period. However, the Fund's NAV volatility and market volatility for the ten-year period, as measured by standard deviation, were appreciably lower than that of the Index. Many market professionals consider the volatility of past returns to be a useful approximation of the past levels of risk. A higher volatility level equates to a higher measure of risk. This measure of historic results may not reflect future performance but we believe it is informative. The Fund has sought to provide total returns to shareholders that compare favorably to those provided by the equity markets, but with less volatility.

*continued on the following page*

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## To Our Shareholders (continued)

The results of the 2009 annual meeting of shareholders are shown in the Miscellaneous Notes section of this report. We thank you for your support. At its April meeting, the Board of Trustees declared a dividend of \$0.075 per share. The dividend consists of undistributed net investment income and will be payable on May 28, 2009 to shareholders of record on May 14, 2009.

Thomas H. Dinsmore  
Chairman of the Board

## Major Portfolio Changes by underlying common stock Six months ended March 31, 2009

**ADDITIONS**

**REDUCTIONS**

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### ADDITIONS

ADC Telecommunications  
 Central European Distribution  
 Chesapeake Energy  
 Endo Pharmaceuticals Holdings  
 Fifth Third Bancorp  
 Freeport-McMoRan  
 Greatbatch  
 Itron  
 McMoRan Exploration  
 Millipore  
 Nabors Industries  
 NETAPP  
 NII Holdings  
 Omnicare  
 Prudential Financial  
 SunPower  
 Wells Fargo

### REDUCTIONS

ADC Telecommunications  
 Alleghany  
 Avery Dennison  
 Chesapeake Energy  
 Corning  
 Cypress Semiconductor  
 EMC  
 General Electric  
 McMoRan Exploration  
 Mylan  
 Nabors Industries  
 NY Community Bancorp  
 ProLogis  
 Prudential Financial  
 St. Jude Medical  
 The Stanley Works  
 Wyeth

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## Largest Investment Holdings by underlying common stock

	Value (Note 1)	% Total Net Assets
Blackboard Inc. Blackboard is a provider of enterprise software applications and related services to the education industry. The company serves colleges, universities, schools and other education providers, textbook publishers, student-focused merchants, corporate, and government clients.	\$ 2,325,000	3.1%

LSB Industries	2,096,250	2.8
LSB manufactures and sells chemical products for the mining, agricultural and industrial markets. The company also manufactures and sells commercial and residential climate control products.		
Equinix, Inc.	2,081,250	2.8
Equinix provides core Internet exchange services to networks, Internet infrastructure companies, enterprises and content providers.		
LSI Corp.	2,062,688	2.8
LSI designs, develops, manufactures and markets integrated circuits and storage systems. The company offers products and services for a variety of electronic systems applications that are marketed to original equipment manufacturers in the telecommunications, computers and storage industries.		
Schering-Plough Corp.	1,999,750	2.7
Schering-Plough is a global science-centered healthcare company. Through its own biopharmaceutical research and collaborations with partners, the company discovers, develops and manufactures pharmaceuticals for prescription, animal health, and consumer markets.		
Wyeth	1,996,000	2.7
Wyeth is engaged in the discovery, development, manufacture, distribution and sale of a line of products in three primary businesses: pharmaceuticals, consumer healthcare and animal health.		
Nabors Industries, Inc.	1,780,000	2.4
A land drilling contractor, Nabors also performs well-servicing and workovers. The company conducts oil, gas and geothermal land drilling operations.		
Freeport-McMoRan Copper and Gold, Inc.	1,738,000	2.3
Freeport-McMoRan is involved in mineral exploration and development, mining, and milling of copper, gold and silver. The company is also involved in smelting and refining copper concentrates.		
Intel Corp.	1,640,000	2.2
Intel is a semiconductor chip maker. The company is engaged in developing advanced integrated digital technology products, primarily integrated circuits, for industries such as computing and communications.		
Teva Pharmaceutical Industries Ltd.	1,635,000	2.2
Develops, produces and markets generic drugs covering all major treatment categories. The company operates 36 pharmaceutical manufacturing sites in 16 countries, 17 generic R&D centers operating mostly within certain manufacturing sites and 18 API manufacturing sites globally.		
Total	\$ 19,353,938	26.0%

## Major Industry Exposure

## Diversification of Assets

	Value (Note 1)	% Total Net Assets	
		Six Months Ended March 31, 2009	Year Ended September 30, 2008
Aerospace and Defense	\$ 965,000	1.3%	1.5%
Banking/Savings and Loan	3,666,393	4.9	6.0
Chemicals	816,000	1.1	1.6
Computer Hardware	2,607,500	3.5	5.0
Computer Software	3,021,250	4.0	3.1
Consumer Goods	1,454,727	2.0	4.8
Energy	9,619,660	13.0	12.3
Financial Services	1,625,625	2.2	1.6
Foods	2,403,125	3.2	2.8
Healthcare	6,806,251	9.2	5.6
Information Technology	499,375	0.7	
Insurance	1,528,041	2.1	6.1
Media and Entertainment	2,093,500	2.8	3.3
Minerals and Mining	2,903,300	3.9	4.3
Multi-Industry	2,205,938	3.0	5.9
Pharmaceuticals	9,055,925	12.2	10.2
Real Estate			1.6
Retail	1,993,125	2.7	2.4
Semiconductors	3,702,688	5.0	4.1
Telecommunications	8,337,875	11.2	6.9
Transportation	633,375	0.9	0.5

Travel and Leisure	332,500	0.4	0.8
<b>Total Investments</b>	<b>66,271,173</b>	<b>89.3</b>	<b>90.4</b>
Other Assets, Net of Liabilities	7,948,793	10.7	9.6
<b>Total Net Assets</b>	<b>\$74,219,966</b>	<b>100.0%</b>	<b>100.0%</b>

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## Portfolio of Investments March 31, 2009 (unaudited)

	Principal Amount	Value (Note 1)
<b>CONVERTIBLE BONDS AND NOTES 68.6%</b>		
<b>Aerospace and Defense 1.3%</b>		
Alliant Techsystems Inc. 2.75%, due 2011 cv. sr. sub. notes (B1)	\$ 1,000,000	\$ 965,000
<b>Computer Hardware 3.5%</b>		
EMC Corp. 1.75%, due 2013 cv. sr. notes (A-)	1,000,000	981,250
NETAPP, Inc. 1.75%, due 2023 cv. sr. notes (NR) (Acquired 1/15/09; Cost \$768,750) (2)	1,000,000	836,250
Richardson Electronics, Ltd. 8%, due 2011 cv. sr. sub. notes (NR)	1,000,000	790,000
		2,607,500
<b>Computer Software 4.0%</b>		
Blackboard Inc. 3.25%, due 2027 cv. sr. notes (BB-)	2,500,000	2,325,000
GSI Commerce, Inc. 2.5%, due 2027 cv. sr. notes (NR)	1,000,000	591,250
Lehman Brothers Holdings Inc. 1%, due 2009 medium-term notes (NR) (performance linked to Microsoft Corp. common stock) (3)	1,500,000	105,000
		3,021,250
<b>Consumer Goods 1.8%</b>		
Chattem, Inc. 1.625%, due 2014 cv. sr. notes (NR)	1,683,000	1,333,778
<b>Energy 11.0%</b>		
Chesapeake Energy Corp. 2.75%, due 2035 contingent cv. sr. notes (Ba3) (1)	1,910,000	1,451,600
Covanta Holding Corp. 1%, due 2027 cv. sr. deb. (B1) (1)	1,750,000	1,382,500
McMoRan Exploration Co. 5.25%, due 2011 cv. sr. notes (NR)	1,340,000	979,875
Nabors Industries, Inc. 0.94%, due 2011 sr. exchangeable notes (BBB+)	2,000,000	1,780,000
Oil States International, Inc. 2.375%, due 2025 contingent cv. sr. notes (NR)	1,325,000	1,033,500
SunPower Corp. 1.25%, due 2027 cv. sr. deb. (NR)	1,500,000	1,066,875
Trina Solar Ltd. 4%, due 2013 cv. sr. notes (NR) (exchangeable for ADS representing common shares)	1,000,000	466,250
		8,160,600
<b>Financial Services 2.2%</b>		
Euronet Worldwide, Inc. 3.50%, due 2025 cv. deb. (B+) (1)	2,250,000	1,625,625
<b>Foods 3.1%</b>		
Central European Distribution Corp. 3%, due 2013 cv. sr. notes (B-)	1,000,000	371,250
The Great Atlantic & Pacific Tea Company 5.125%, due 2011 cv. sr. notes (Caa1)	500,000	282,500
The Great Atlantic & Pacific Tea Company 6.75%, due 2012 cv. sr. notes (Caa1)	1,500,000	774,375
Tyson Foods, Inc. 3.25%, due 2013 cv. sr. notes (BB)	1,000,000	887,500
		2,315,625



**Healthcare 9.2%**

China Medical Technologies, Inc. 4%, due 2013 cv. sr. sub. notes (NR) (exchangeable for ADS representing common stock)	1,500,000	720,000
Greatbatch, Inc. 2.25%, due 2013 cv. sub. deb. (NR) (1)	1,250,000	951,563
Kinetic Concepts, Inc. 3.25%, due 2015 cv. sr. notes (B+) (Acquired 04/16/08 and 08/04/08; Cost \$1,965,162) (2)	2,000,000	1,342,500
Millipore Corp. 3.75%, due 2026 cv. sr. notes (BB-) (1)	1,500,000	1,398,750
Omnicare, Inc. 3.25%, due 2035 cv. sr. deb. (B3) (1)	2,000,000	1,320,000
SonoSite Inc. 3.75%, due 2014 cv. sr. notes (NR)	1,250,000	1,073,438
		6,806,251

**Information Technology 0.7%**

Itron, Inc. 2.50%, due 2026 cv. sub. deb. (B-)	500,000	499,375
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**Portfolio of Investments March 31, 2009 (continued)**

	Principal Amount	Value (Note 1)
<b>CONVERTIBLE BONDS AND NOTES continued</b>		
<b>Insurance 2.0%</b>		
Prudential Financial, Inc. floating rate, due 2037 cv. sr. notes (Baa2)	\$ 1,500,000	\$ 1,485,000
<b>Media and Entertainment 0.7%</b>		
Virgin Media Inc. 6.5%, due 2016 cv. sr. notes (B-) (Acquired 04/10/08 and 04/11/08; Cost \$995,000) (2)	1,000,000	542,500
<b>Multi-Industry 3.0%</b>		
Diversa Corp. 5.5%, due 2027 cv. sr. notes (NR) (exchangeable for Verenum Corp. common stock)	750,000	109,688
LSB Industries, Inc. 5.5%, due 2012 cv. sr. sub. deb. (NR)	3,000,000	2,096,250
		2,205,938
<b>Pharmaceuticals 8.1%</b>		
Endo Pharmaceuticals Holdings, Inc. 1.75%, due 2015 cv. sr. sub. notes (NR) (Acquired 01/15/09; Cost \$869,897) (2)	1,000,000	778,750
Mylan Inc. 3.75%, due 2015 cash cv. notes (B+) (Acquired 09/16/08 09/30/08; Cost \$980,982) (2)	1,000,000	1,137,500
Mylan Laboratories, Inc. 1.25%, due 2012 cv. sr. notes	500,000	430,625
Teva Pharmaceutical Finance Co. B.V. 1.75%, due 2026 cv. sr. deb. (Baa2) (exchangeable for Teva Pharmaceutical Industries Ltd. ADR)	1,500,000	1,635,000
Wyeth floating rate, due 2024 cv. sr. deb. (A3)	2,000,000	1,996,000
		5,977,875
<b>Retail 1.7%</b>		
RadioShack Corp. 2.5%, due 2013 cv. sr. notes (BB) (Acquired 08/13/08 and 10/17/08; Cost \$1,436,250) (2)	1,500,000	1,243,125
<b>Semiconductors 5.0%</b>		
Agere Systems Inc. 6.5%, due 2009 cv. sub. notes (BB) (exchangeable for LSI Corp.)	1,950,000	1,967,063

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Intel Corp. 2.95%, due 2035 jr. sub. cv. deb. (A-) (1)	2,000,000	1,640,000
LSI Corp. 4%, due 2010 cv. sub. notes. (BB)	100,000	95,625
		3,702,688
<b>Telecommunications 10.0%</b>		
ADC Telecommunications Inc. floating rate, due 2013 cv. sub. notes (NR)	1,600,000	944,000
Anixter International Inc. 1%, due 2013 cv. sr. notes (BB-)	1,500,000	1,143,750
Equinix, Inc. 2.5%, due 2012 cv. sub. notes (B-)	2,500,000	2,081,250
General Cable Corp. 1%, due 2012 cv. sr. notes (B1)	1,500,000	1,070,625
NII Holdings, Inc. 2.75%, due 2025 cv. notes (NR)	1,500,000	1,374,375
SAVVIS, Inc. 3%, due 2012 cv. sr. notes (NR)	1,500,000	841,875
		7,455,875
<b>Transportation 0.9%</b>		
ExpressJet Holdings, Inc. 4.25%, due 2023 cv. notes (NR)	900,000	633,375
<b>Travel and Leisure 0.4%</b>		
Morgans Hotel Group 2.375%, due 2014 sr. sub. cv. notes (NR)	1,000,000	332,500
<b>TOTAL CONVERTIBLE BONDS AND NOTES</b>		\$50,913,880
<b>CORPORATE BONDS AND NOTES 1.0%</b>		
<b>Retail 1.0%</b>		
Amerivon Holdings LLC 4%, due 2010 units (NR)		
(Acquired 06/01/07; Cost \$1,500,000) (2,3)	1,500,000	750,000

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Portfolio of Investments March 31, 2009 (continued)

	Shares	Value (Note 1)
<b>CONVERTIBLE PREFERRED STOCKS 7.5%</b>		
<b>Banking/Savings and Loan 4.9%</b>		
Bank of America Corp. 7.25% series L non-cum. perpetual cv. pfd. (B3)	1,500	\$ 636,750
Fifth Third Bancorp 8.5% perpetual cv. pfd., series G (Baa1)	10,000	412,000
New York Community Bancorp, Inc. 6% BONUSSES units (Baa1)	39,178	1,192,970
Sovereign Capital Trust IV 4.375% PIERS (Baa2)		
(exchangeable for Sovereign Bancorp, Inc. common stock) (1)	14,000	276,500
Webster Financial Corp. 8.5% perpetual cv. pfd. (BB-)	1,375	429,688
Wells Fargo Corp perpetual cv. pfd., series L (B2)	1,500	718,485
		3,666,393
<b>Chemicals 1.1%</b>		
Celanese Corp. 4.25% perpetual cv. pfd. (NR)	40,000	816,000
<b>Minerals and Mining 1.5%</b>		
Freeport-McMoRan Copper & Gold Inc. 5.5% perpetual cv. pfd. (BB)	1,200	1,092,300
<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>		\$5,574,693
<b>MANDATORY CONVERTIBLE SECURITIES 9.3% (5)</b>		
<b>Energy 2.0%</b>		
Bristow Group Inc. 5.5%, due 09/15/09 mandatory cv. pfd. (B)	20,000	620,200
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	838,860
		1,459,060
<b>Foods 0.1%</b>		
Lehman Brothers Holdings Inc. 6%, due 10/12/10 PIES (NR)		
(exchangeable for General Mills, Inc. common stock) (3)	50,000	87,500
<b>Media and Entertainment 2.1%</b>		
Deutsche Bank AG 4.9%, due 04/28/09 mandatory exchangeable notes (NR)		
(exchangeable for The Walt Disney Company common stock)		
(Acquired 04/16/08; Cost \$2,501,301) (2)	82,500	1,551,000
<b>Minerals and Mining 2.4%</b>		
Freeport-McMoRan Copper & Gold Inc. 6.75%, due 05/01/10 mandatory cv. pfd. (BB)	10,000	645,700
Vale Capital Ltd. 5.5%, due 06/15/10 mandatory convertible notes (BBBH) (exchangeable for ADS representing Companhia Vale do Rio Doce common stock)	30,000	877,800
Vale Capital Ltd. 5.5%, due 06/15/10 mandatory convertible notes (BBBH) (exchangeable for ADS representing Companhia Vale do Rio Doce Preference A Shares)	10,000	287,500
		1,811,000
<b>Pharmaceuticals 2.7%</b>		
Schering-Plough Corp. 6%, due 08/13/10 mandatory cv. pfd. (Baa3)	9,500	1,999,750
<b>TOTAL MANDATORY CONVERTIBLE SECURITIES (5)</b>		\$6,908,310

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## Portfolio of Investments March 31, 2009 (continued)

	Shares	Value (Note 1)
<b>COMMON STOCKS 2.9%</b>		
<b>Consumer Goods 0.2%</b>		
Avery Dennison Corp	5,414	\$ 120,949
<b>Insurance 0.1%</b>		
XL Capital Ltd	7,883	43,041
<b>Pharmaceuticals 1.5%</b>		
Johnson & Johnson	20,500	1,078,300
<b>Telecommunications 1.2%</b>		
AT&T	35,000	882,000
<b>TOTAL COMMON STOCKS</b>		2,124,290
<b>Total Convertible Bonds and Notes 68.6%</b>		\$50,913,880
<b>Total Corporate Bonds and Notes 1.0%</b>		750,000
<b>Total Convertible Preferred Stocks 7.5%</b>		5,574,693
<b>Total Mandatory Convertible Securities 9.3%</b>		6,908,310
<b>Total Common Stocks 2.9%</b>		2,124,290
<b>Total Investments 89.3%</b>		66,271,173
<b>Other assets and liabilities, net 10.7%</b>		7,948,793
<b>Total Net Assets 100.0%</b>		\$74,219,966

(1) Contingent payment debt instrument which accrues contingent interest. See Note 1(g).

- (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). The security may be resold only pursuant to an exemption from registration under the Securities Act of 1933, typically to qualified institutional buyers. The Fund generally has no rights to demand registration of such securities. The aggregate market value of these unregistered securities at March 31, 2009 was \$8,181,625, which represented 11.0% of the Fund's net assets.
- (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 estimated value may differ significantly from the amount that might ultimately be realized in the near term, and the difference could be material. The market value of these securities amounted to \$942,500 at March 31, 2009, which represented 1.3% of the Fund's net assets.
- (4) Restricted securities include securities that have not been registered under the Securities Act of 1933, as amended, and securities that are subject to restrictions on resale. The Fund may invest in restricted securities that are consistent with the Fund's investment objective and investment strategies. As of March 31, 2009, the Fund was invested in the following restricted securities:
- Amerivon Holdings LLC 4% units containing cv. promissory note and warrants due 2010, acquired June 1, 2007.
- (5) Mandatory Convertible 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. See Note 1(j).

**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 Income 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\***

	<u>% of Portfolio</u>
A	9
BBB	16
BB	20
B	23
CCC	2
Not Rated	32

\* Excludes equity securities and cash.

*See accompanying notes to financial statements*

## Statement of Assets and Liabilities *(unaudited)*

March 31, 2009

<b>Assets:</b>	
Investments at value (cost \$91,161,069) (Note 1)	\$ 66,271,170
Cash	7,200,238
Receivable for securities sold	134,233
Dividends and interest receivable	681,401
Other assets	17,666
<b>Total assets</b>	<b>74,304,708</b>
<b>Liabilities:</b>	
Payable for securities purchased	24,378
Accrued management fee (Note 2)	51,809
Other liabilities	8,555
<b>Total liabilities</b>	<b>84,742</b>
<b>Net Assets</b>	<b>\$ 74,219,966</b>
<b>Net assets consist of:</b>	
Capital shares (unlimited shares of \$0.01 par value authorized) (Note 3)	\$ 132,777
Additional paid-in capital	116,546,958
Undistributed net investment income	502,720
Accumulated net realized loss from investment transactions	(18,072,590)
Unrealized depreciation on investments	(24,889,899)
<b>Net Assets</b>	<b>\$ 74,219,966</b>
Net asset value per share (\$74,219,966 ÷ 13,277,717 outstanding shares)	\$ 5.59

## Statement of Operations *(unaudited)*

*For the Six Months Ended March 31, 2009*

<b>Investment Income (Note 1):</b>	
Interest	\$ 1,774,777
Dividends	1,007,917
<b>Total income</b>	<b>2,782,694</b>
<b>Expenses (Note 2):</b>	
Management fee	275,659
Custodian	6,534
Transfer agent	13,107
Professional fees	46,343
Trustees fees	55,250
Reports to shareholders	20,989
Administrative services fees	18,377
Other	27,835
<b>Total expenses</b>	<b>464,094</b>
<b>Net Investment Income</b>	<b>2,318,600</b>
<b>Realized and Unrealized Loss on Investments:</b>	
Net realized loss from investment transactions	(14,712,162)
Net change in unrealized depreciation of investments	(6,063,083)
<b>Net loss on investments</b>	<b>(20,775,245)</b>

Net Decrease in Net Assets Resulting from Operations

\$ (18,456,645)

*See accompanying notes to financial statements**Page 9*

## Statement of Changes in Net Assets

	<u>Six Months Ended March 31, 2009(a)</u>	<u>Year Ended September 30, 2008</u>
<b>Change in net assets from operations:</b>		
Net investment income	\$ 2,318,600	\$ 4,136,307
Net realized loss from investment transactions	(14,712,162)	(3,420,545)
Net change in unrealized depreciation of investments	(6,063,083)	(25,413,301)
Net decrease in net assets resulting from operations	(18,456,645)	(24,697,539)
<b>Distributions to shareholders from:</b>		
Net investment income	(2,350,613)	(4,310,924)
Net realized gain on investments		(10,469,074)
Total distributions	(2,350,613)	(14,779,998)
<b>Capital share transactions (Note 3)</b>	530,224	4,022,420
<b>Change in net assets</b>	(20,277,034)	(35,455,117)
Net assets at beginning of period	94,497,000	129,952,117
<b>Net assets at end of period</b>	<b>\$ 74,219,966</b>	<b>\$ 94,497,000</b>
Undistributed net investment income at end of period	\$ 502,720	\$ 523,270

(a) Unaudited.

## Notes to Financial Statements (unaudited)

### NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

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

(b) **Use of Estimates** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(c) **Indemnification** Under the Fund's organizational documents, each trustee, officer or other agent of the Fund (including the Fund's investment adviser) is indemnified against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification is considered remote.

(d) **Federal Income Taxes** The Fund's policy is to distribute substantially all of its taxable income within the prescribed time and to otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income or excise taxes is believed necessary.

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## Notes to Financial Statements (continued)

### NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) **FIN 48** On July 13, 2006, The Financial Accounting Standards Board (FASB) released FASB Interpretation No. 48 Accounting for Uncertainty in Income Taxes (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Fund's tax returns. These positions must meet a more-likely-than-not standard that, based on technical merits, has a more than 50% likelihood of being sustained upon examination. In evaluating whether a tax position has met the recognition threshold, the Fund must presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. Tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax expense in the current year. FIN 48 was adopted by the Fund on March 31, 2008. The Fund has no examinations in progress. Management of the Fund has reviewed the tax positions in the open tax years 2006 to 2009 and determined that the adoption of FIN 48 resulted in no effect on the Fund's financial position or results of operations. The Fund is not aware of any tax positions for which it is reasonably likely that the total amounts of unrecognized tax benefits will significantly change in the next six months.

(f) **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.

(g) **Securities Transactions and Related Investment Income** Security transactions are accounted for on the trade date (date the order to buy or sell is executed) 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 2 cents per share for the six months ended March 31, 2009. In addition, Federal tax regulations require the Fund to reclassify realized gains on contingent payment debt instruments to interest income. At March 31, 2009 there were unrealized losses of approximately 25 cents per share on contingent payment debt instruments.

(h) **Change in Method of Accounting** Effective October 1, 2004, the Fund began amortizing discounts and premiums on all debt securities. Prior to October 1, 2004, the Fund amortized discounts on original issue discount debt securities. The new method of amortization was adopted in accordance with the provisions of the *AICPA Audit and Accounting Guide, Audits of Investment Companies* and the financial highlights presented herein have been restated to reflect the new method retroactive to October 1, 2001. The effect of this accounting change is included in the financial highlights for the year ended September 30, 2004. The cumulative effect of this accounting change had no impact on the total net assets of the Fund or on distributions for tax purposes, but resulted in a \$79,579 increase in the cost of securities held and a corresponding \$79,579 reduction in the net unrealized gains based on the securities held on October 1, 2001. These changes had no effect on previously reported total net assets or total returns.

## Notes to Financial Statements (continued)

### NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) **Distributions to Shareholders** Distributions to shareholders from net investment income are recorded by the Fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid annually. The amount and character of income and capital gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. The tax character of distributions paid during the fiscal years ended September 30, 2008 and 2007 were as follows:

	2008	2007
Ordinary income	\$ 7,214,059	\$ 4,907,146
Net realized gain on investments	7,565,939	3,293,707
	\$ 14,779,998	\$ 8,200,853

At March 31, 2009 unrealized appreciation/(depreciation) of investment securities on a tax basis were as follows:

Unrealized appreciation	\$ 1,226,334
Unrealized depreciation	(26,083,512)
Net unrealized depreciation	(24,857,178)
Cost for federal income tax purposes	\$ 91,128,349

The differences between book-basis and tax-basis unrealized appreciation/(depreciation) is attributable to differing methods of recognizing interest and ordinary income on bonds for tax purposes.

(j) **Market Risk** It is the Fund's policy to invest at least 65% of its assets in convertible securities. Although convertible securities do derive part of their value from that of the securities into which they are convertible, they are not considered derivative financial instruments. However, the Fund's mandatory convertible securities include features which render them more sensitive to price changes of their underlying securities. Thus they expose the Fund to greater downside risk than traditional convertible securities, but generally less than that of the underlying common stock. The market value of those securities was \$6,908,310 at March 31, 2009, representing 9.3% of net assets.

(k) **Fair Value Measurements** Effective October 1, 2008, the Fund adopted FASB Statement on Financial Accounting Standards No. 157 Fair Value Measurements (FAS 157). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 establishes three different categories for valuations, summarized as follows: Level 1 fair value is based upon quoted prices in active markets; Level 2 fair value is based upon quoted prices in inactive markets or based upon significant observable inputs (e.g. yield curves; benchmark interest rates; indices); and Level 3 fair value is based upon unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The Fund's investments at March 31, 2009 are classified as follows:

Valuation Inputs	Investment in Securities
Level 1 Quoted prices	\$ 10,331,445
Level 2 Other observable inputs	54,997,228
Level 3 Unobservable inputs	942,500
	\$ 66,271,173



## Notes to Financial Statements (continued)

### NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

**(I) Accounting Pronouncements** In March 2008, Statement of Financial Accounting Standards No. 161, Disclosures about Derivative Instruments and Hedging Activities (SFAS 161), was issued and is effective for fiscal years beginning after November 15, 2008. SFAS 161 is intended to improve financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operation and financial position. Management is currently evaluating the implications of SFAS 161. The impact on the Fund's financial statement disclosures, if any, is currently being assessed.

### NOTE 2 MANAGEMENT FEE AND OTHER TRANSACTIONS WITH AFFILIATES

The Fund has entered into an investment advisory agreement with Dinsmore Capital Management Co. (formerly Davis-Dinsmore Management Company) (Dinsmore Capital). Pursuant to the investment advisory agreement, Dinsmore Capital provides the Fund with investment advice, office space and facilities. Under the terms of the investment advisory agreement, the Fund pays Dinsmore Capital on the last day of each month an advisory fee for such month computed at an annual rate of 0.75% of the first \$100,000,000 and 0.50% of the excess over \$100,000,000 of the Fund's net asset value in such month.

The Fund, pursuant to an administrative services agreement with Dinsmore Capital, has agreed to pay Dinsmore Capital for certain accounting and other administrative services provided to the Fund. Under the administrative services agreement, the Fund pays Dinsmore Capital on the last day of each month a fee for such month computed at an annual rate of 0.05% of the Fund's net asset value in such month.

Certain officers and trustees of the Fund are officers and directors of Dinsmore Capital.

### NOTE 3 PORTFOLIO ACTIVITY

At March 31, 2009, there were 13,277,717 shares of beneficial interest outstanding, with a par value of \$0.01 per share. During the six months ended March 31, 2009, 124,465 shares were issued in connection with reinvestment of dividends from net investment income, resulting in an increase in paid-in capital of \$530,224.

Purchases and sales of investments, exclusive of corporate short-term notes, aggregated \$22,757,246 and \$21,492,901, respectively, for the six months ended March 31, 2009.

A distribution of \$0.075 per share from net investment income was declared on April 14, 2009, payable May 28, 2009 to shareholders of record at the close of business May 14, 2009.

## Financial Highlights *Selected data for a share of beneficial interest outstanding:*

Six Months Ended March 31, 2009 (a)	Year Ended September 30,				
	2008	2007	2006	2005	2004

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	Six Months Ended March 31,		Year Ended September 30,			
<b>Operating Performance:</b>						
Net asset value, beginning of period	\$ 7.18	\$ 10.27	\$ 9.60	\$ 9.29	\$ 8.71	\$ 8.58
Net investment income	0.17	0.31	0.33	0.33	0.29	0.30(b)
Adjustment for change in amortization policy						(0.02)
Net investment income, as adjusted	0.17	0.31	0.33	0.33	0.29	0.28
Net realized and unrealized gain (loss)	(1.58)	(2.24)	1.00	0.29	0.59	0.35(b)
Adjustment for change in amortization policy						0.02
Net realized and unrealized gain (loss), as adjusted	(1.58)	(2.24)	1.00	0.29	0.59	0.37
Total from investment operations	(1.41)	(1.93)	1.33	0.62	0.88	0.65
<b>Less Distributions:</b>						
Dividends from net investment income	(0.18)	(0.33)	(0.39)	(0.31)	(0.30)	(0.32)
Distributions from realized gains		(0.83)	(0.27)			
Total distributions	(0.18)	(1.16)	(0.66)	(0.31)	(0.30)	(0.32)
<b>Capital Share Transactions:</b>						
Effect of rights offering						(0.20)
Capital share repurchases						(0.20)
Total capital share transactions						(0.20)
Net asset value, end of period	\$ 5.59	\$ 7.18	\$ 10.27	\$ 9.60	\$ 9.29	\$ 8.71
Market value, end of period	\$ 4.76	\$ 5.30	\$ 9.09	\$ 8.20	\$ 7.84	\$ 7.95
Total Net Asset Value Return (%) <sup>(c)</sup>	2.1	(21.0)	14.4	6.8	10.3	5.2
Total Investment Return (%) <sup>(d)</sup>	(1.2)	(33.3)	19.6	8.8	2.5	2.8
<b>Ratios/Supplemental Data:</b>						
Net assets, end of period (in thousands)	\$74,220	\$94,497	\$129,952	\$119,264	\$114,824	\$107,107
Ratio of expenses to average net assets (%)	1.2(e)	1.1	1.1	1.2	1.2	1.2
Ratio of net investment income to average net assets (%)	6.2(e)	3.6	3.4	3.6	3.4	3.2(f)
Portfolio turnover rate (%)	31	61	84	60	82	70

(a) Unaudited.

(b) As previously reported. See Note 1(h).

(c) Assumes valuation of the Fund's shares, and reinvestment of dividends, at net asset values.

(d) Assumes valuation of the Fund's shares at market price and reinvestment of dividends at actual reinvestment price.

(e) Annualized.

(f) Expense ratio for 2004 reflects adjustment for change in amortization policy. The ratio previously reported for 2004 was 3.4%.

*See accompanying notes to financial statements*

## Board Approval of Advisory Contract

*The independent trustees of Ellsworth renewed the advisory contract with Dinsmore Capital Management Co. (formerly Davis-Dinsmore Management Company) in November 2008. The following are the material factors and conclusions that formed the basis for that approval.*

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**The nature and extent of the advisory services provided by Dinsmore Capital** The Board (the Board) of the Fund and the independent trustees reviewed the services to be provided by Dinsmore Capital under the Advisory Agreement. The Board noted that under the Advisory Agreement, Dinsmore Capital would supervise all aspects of the Fund's operations including the investment and reinvestment of cash, securities or other properties comprising the Fund's assets. In this regard, the Board noted that under the Advisory Agreement Dinsmore Capital is responsible to, among other things, (a) supervise all aspects of the operations of the Fund; (b) obtain and evaluate pertinent information about significant developments and economic, statistical and financial data, domestic, foreign or otherwise, whether affecting the economy generally or any industry or the Fund or any issuer of securities held or to be purchased by the Fund; (c) determine which issuers and securities shall be represented in the Fund's investment portfolio and regularly report thereon to the Board; (d) place orders for the purchase and sale of securities for the Fund; and (e) take, on behalf of the Fund, such other action as may be necessary or appropriate in connection with the above.

Based on such review, both the Board and the independent trustees concluded that the range of services to be provided by Dinsmore Capital under the Advisory Agreement was appropriate and that Dinsmore Capital currently is providing services in accordance with the terms of the Advisory Agreement.

**The quality of services provided by Dinsmore Capital** In reviewing the qualifications of Dinsmore Capital to provide investment advisory services, both the Board and the independent trustees reviewed the credentials and experience of Dinsmore Capital's investment personnel who will provide investment advisory services to the Fund, and considered Dinsmore Capital's (i) portfolio and product review process, particularly its adherence to the Fund's investment mandate, (ii) compliance function and its culture of compliance, (iii) use of technology, including the use, from time to time, of direct satellite links to issuer interviews and conferences, (iv) investment research operations (which involves meetings with issuers and analysts, investment seminars and field trips to issuers, and the review of: (a) financial newspapers, industry literature, publications and periodicals, (b) research materials prepared by others, (c) issuer annual reports and prospectuses, and (d) issuer press releases) and trading operations (which involves computerized execution of orders), and (v) focus on providing high quality services while keeping the Fund's fees and expenses as low as possible. The Board and the independent trustees also took into consideration the presentations made by Dinsmore Capital at prior Board meetings pertaining to its management of the Fund.

Based on the review of these and other factors, both the Board and the independent trustees determined and concluded that the quality of services to be provided by Dinsmore Capital was exemplary and that Dinsmore Capital currently is providing services to the Fund in accordance with the terms of the Advisory Agreement.

**The performance of the Fund relative to comparable funds** Both the Board and the independent trustees reviewed the performance of the Fund (at net asset value) during the past one, three, five and ten years ended September 30, 2008 against the performance of other closed-end funds categorized to be in the Fund's peer group by Lipper, Inc. Both the Board and the independent trustees noted that the Fund's performance for the three, five and ten year periods was below the average performance of all

## Board Approval of Advisory Contract (continued)

closed-end funds in the peer group, but was above the average performance of such funds for the one year period. In evaluating the Fund's performance against other funds in its peer group, the Board and the independent trustees took into account the fact that many of the Fund's competitors engage in leverage, which has increased their returns, but has done so with increased risk of loss. Because of this increased risk of loss, the Fund does not engage in leverage. In addition, the Board and the independent trustees recognized that many of the Fund's competitors have a higher percentage of their assets invested in securities with lower credit quality than does the Fund, and that such securities have performed better than higher quality securities in recent years. The Board and the independent trustees also noted that portfolio manager's investment approach is to make equity investments utilizing convertible securities to provide a total return similar to that of equity securities, but with lower volatility and higher income. The Board and the independent trustees recognized that only three of the funds in the Fund's peer group

followed a similar investment approach. Because of the differences in how funds in the Fund's peer group are managed, the Board and the independent trustees concluded that they should consider the performance of the Fund against appropriate indices as a more relevant factor in assessing the performance of the Fund.

**The performance of the Fund relative to indices** Both the Board and the independent trustees reviewed the performance of the Fund (at net asset value) during the past one, three, five and ten years ended September 30, 2008 against the performance of the Merrill Lynch All Convertibles Index and Merrill Lynch Investment Grade Convertibles Index. Both the Board and the independent trustees noted that, for the five and ten year periods, the Fund's performance was below that of the Merrill Lynch All Convertibles Index but was above such Index for the one and three year periods. The Board and the independent trustees also considered the fact that currently a majority of the securities held by the Fund have an investment grade rating or are of comparable quality to securities with investment grade ratings, and noted that, for the one, three, five and ten year periods, the Fund's performance was above that of the Merrill Lynch Investment Grade Convertibles Index.

Based on this review and taking into account all of the other factors that the Board and the independent trustees considered in determining whether to continue the Advisory Agreement, the Board and the independent trustees concluded that no changes should be made to the Fund's investment objective or policies, or the portfolio management team.

**Meetings with the Fund's portfolio manager and investment personnel** Both the Board and the independent trustees noted that they meet regularly with the Fund's portfolio manager and investment personnel, and believe that such individuals are competent and able to carry out their responsibilities under the Advisory Agreement.

**Overall performance of Dinsmore Capital** After considering the overall performance of Dinsmore Capital in providing investment advisory and administrative services to the Fund, both the Board and the independent trustees concluded that such performance was satisfactory.

**Fees relative to those of clients of Dinsmore Capital with comparable investment strategies** Both the Board and the independent trustees noted that the Fund and Bancroft Fund Ltd. (the Funds) are the only clients of Dinsmore Capital, and that the advisory fee rates for the Funds are the same.

Both the Board and the independent trustees concluded that, because the fee rates are the same for the Funds, the current advisory fee rate of the Fund was fair as compared to the rate for Bancroft Fund Ltd.

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## Board Approval of Advisory Contract (continued)

**Fees relative to those of comparable funds with other advisors** After reviewing the advisory fee rate for the Fund against the advisory fee rates for funds advised by other advisors in the Fund's peer group, both the Board and the independent trustees determined that the Fund's advisory fee rate was at approximately the median of the funds in its peer group, and concluded that the current advisory fee rate of the Fund was fair and reasonable.

**Expense limitations and fee waivers** Both the Board and the independent trustees noted that, although there are no contractual expense limitations or fee waivers in effect for the Fund, Dinsmore Capital is very diligent in its efforts to keep expenses of the Fund as low as possible. Both the Board and the independent trustees also noted that the cost of compliance with regulatory initiatives was increasing. Both the Board and the independent trustees concluded that the current level of expenses for the Fund were fair and reasonable.

**Breakpoints and economies of scale** Both the Board and the independent trustees reviewed the structure of the Fund's advisory fee under the Advisory Agreement, and noted that the fee includes one breakpoint when the Fund's assets reach \$100 million. Both the Board and the independent trustees noted that breakpoints had become effective for the Fund as a result of the Fund's rights offering that occurred during the 2004 fiscal year, which resulted in lower management fee expenses as a percentage of assets. Both the Board and the independent trustees concluded that the Fund's fee levels under the Advisory Agreement therefore reflect economies of scale and that it was not necessary to implement any further changes to the structure of the advisory fee for the Fund.

**Profitability of Dinsmore Capital** Both the Board and the independent trustees reviewed information concerning the profitability and financial condition of Dinsmore Capital. In particular, the Board reviewed Dinsmore Capital's financial statements including its statement of income and retained earnings, statement of cash flows, and audited balance sheet. The Board also reviewed Dinsmore Capital's costs in providing services to the Funds. The Board noted that Dinsmore Capital's sole source of revenue was fees from the Funds for providing advisory and administrative

services to the Funds. The Board and the independent trustees noted that Dinsmore Capital's operations remain profitable and that increasing the success of the Funds will positively impact Dinsmore Capital's profitability.

Based on the review of the profitability of Dinsmore Capital and its financial condition, both the Board and the independent trustees concluded that the compensation to be paid by the Fund to Dinsmore Capital under the Advisory Agreement was not excessive.

**Benefits of soft dollars to Dinsmore Capital** Both the Board and the independent trustees discussed the fact that there are no third-party soft dollar arrangements in effect with respect to the Fund. Both the Board and the independent trustees recognized that Dinsmore Capital does receive proprietary research from brokers with whom it executes portfolio transactions on behalf of the Fund. This research is used by Dinsmore Capital in making investment decisions for the Fund. Both the Board and the independent trustees also considered representations made by Dinsmore Capital that portfolio transactions received best execution. Because such research ultimately benefits the Fund, the Board and the independent trustees concluded that it was appropriate to receive proprietary research.

**Dinsmore Capital's financial soundness in light of the Fund's needs** Both the Board and the independent trustees considered whether Dinsmore Capital is financially sound and has the resources necessary to fulfill its obligations under the Advisory Agreement.

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## Board Approval of Advisory Contract (continued)

**Historical relationship between the Fund and Dinsmore Capital** In determining whether to continue the Advisory Agreement for the Fund, both the Board and the independent trustees also considered the prior relationship among Dinsmore Capital and the Fund, as well as the independent trustees' knowledge of Dinsmore Capital's operations, and concluded that it was beneficial to maintain the current relationship, in part, because of such knowledge. Both the Board and the independent trustees also reviewed the general nature of the non-investment advisory services currently performed by Dinsmore Capital, such as administrative services, and the fees received by Dinsmore Capital for performing such services. In addition to reviewing such services, both the Board and the independent trustees also considered the organizational structure employed by Dinsmore Capital to provide those services. Based on the review of these and other factors, both the Board and the independent trustees concluded that Dinsmore Capital was qualified to provide non-investment advisory services to the Fund, including administrative services, and that Dinsmore Capital currently is providing satisfactory non-investment advisory services to the Fund.

**Other factors and current trends** Both the Board and the independent trustees considered the culture of compliance and high ethical standards at Dinsmore Capital, and the efforts historically and currently undertaken by Dinsmore Capital to engage in best practices. Both the Board and the independent trustees noted Dinsmore Capital's historical adherence to compliance procedures, as well as the Fund's investment objectives, policies and restrictions. Both the Board and the independent trustees concluded that this commitment to adhere to the highest ethical standards was an important factor in their determination that they should approve the continuance of the Advisory Agreement for the Fund.

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After considering all of the above factors and based on informed business judgment, the Board determined that the Advisory Agreement is in the best interests of the Fund and its shareholders and that the compensation to Dinsmore Capital under the Advisory Agreement is fair and reasonable. As a result, the Board continued the Advisory Agreement.

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## Miscellaneous Notes

### Results of the 2009 Annual Shareholders Meeting

The Annual Meeting of Shareholders of the Fund was held on January 16, 2009. The results of the shareholder vote were:

1. All persons nominated were elected.

Terms expiring in 2012	Shares voted for	Shares withheld
Kinchen C. Bizzell	9,547,576	2,057,565
Jane D. O'Keeffe	9,549,214	2,055,927

2. The Audit Committee's appointment of Tait, Weller & Baker LLP as independent accountants was ratified, as 11,436,371 shares voted for, 71,055 shares voted against and 97,715 shares abstained.

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#### Notice of Privacy Policy

The Fund has adopted a privacy policy in order to protect the confidentiality of nonpublic personal information that we have about you. We receive personal information, such as your name, address and account balances, when transactions occur in Fund shares registered in your name.

We may disclose this information to companies that perform services for the Fund, such as the Fund's transfer agent or proxy solicitors. These companies may only use this information in connection with the services they provide to the Fund, and not for any other purpose. We will not otherwise disclose any nonpublic personal information about our shareholders or former shareholders to anyone else, except as required by law.

Access to nonpublic information about you is restricted to our employees and service providers who need that information in order to provide services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

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#### For More Information About Portfolio Holdings

In addition to the semi-annual and annual reports that Ellsworth delivers to shareholders and makes available through the Fund's public website, the Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the Fund's first and third fiscal quarters on Form N-Q. Ellsworth does not deliver the schedule of portfolio holdings for the first and third fiscal quarters to shareholders, however the schedule is posted to the Fund's public website, [www.ellsworthfund.com](http://www.ellsworthfund.com). You may obtain the Form N-Q filings by accessing the SEC's website at [www.sec.gov](http://www.sec.gov). You may also review and copy them at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (800) SEC-0330.

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#### Proxy Voting Policies and Procedures / Proxy Voting Record

The Fund's policies and procedures with respect to the voting of proxies relating to the Fund's portfolio securities is available without charge, upon request, by calling (800) 914-1177 or at our website at [www.ellsworthfund.com](http://www.ellsworthfund.com). This information is also available on the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, information on how the Fund voted such proxies relating to portfolio securities during the most recent twelve-month period ended June 30, is available without charge at the above sources.

## Miscellaneous Notes (continued)

The Fund is a member of the Closed-End Fund Association, a non-profit national trade association ([www.cefa.com](http://www.cefa.com)). Thomas H. Dinsmore is on the Executive Board and is the president of the association. *The association is solely responsible for the content of its website.*

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Pursuant to Section 23 of the Investment Company Act of 1940, notice is hereby given that the Fund may in the future purchase its own shares from time to time, at such times, and in such amounts, as may be deemed advantageous to the Fund. Nothing herein shall be considered a

commitment to purchase such shares.

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*Vice President*

H. TUCKER LAKE, JR.  
*Vice President*

GERMAINE M. ORTIZ  
*Vice President*

MERCEDES A. PIERRE  
*Vice President and Chief Compliance Officer*

JOANN VENEZIA  
*Vice President*

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***Shareholder Services and Transfer Agent***

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***Beneficial Share Listing***

NYSE Amex Symbol: ECF

***Legal Counsel***

Ballard Spahr Andrews & Ingersoll, LLP

***Independent Accountants***

Tait, Weller & Baker LLP

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ITEM 2. CODE OF ETHICS.

Not applicable to this semi-annual report.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to this semi-annual report.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to this semi-annual report.



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ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to this semi-annual report.

ITEM 6. INVESTMENTS.

The Schedule of Investments in securities of unaffiliated issuers is included as part of the report to shareholders, filed under Item 1 of this Form.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this semi-annual report.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this semi-annual report.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

During the period covered by this report, there were no purchases made by or on behalf of the Registrant or any affiliated purchaser, as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934 (the Exchange Act) (17 CFR 240.10b-18(a)(3)), of shares or other units of any class of the Registrant's equity securities that is registered by the Registrant pursuant to Section 12 of the Exchange Act (15 U.S.C. 781).

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the Registrant's board of trustees since those procedures were last disclosed in response to the requirements of Item 407(c)(2)(iv) of Regulation S-K (17 CFR 229.407) (as required by Item 22(b)(15) of Schedule 14A (17 CFR 240.14a-101), or this Item 10 of Form N-CSR.

ITEM 11. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures

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(a) As of May 27, 2009 an evaluation was performed under the supervision and with the participation of the officers of the Registrant, including the Principal Executive Officer ( PEO ) and Principal Financial Officer ( PFO ), to assess the effectiveness of the Registrant's disclosure controls and procedures, as that term is defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the Act ), as amended. Based on that evaluation, as required by Rule 30a-3(b) under the Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Exchange Act (17 CFR 240.13a-15(b) or 240.15d-15(b)), the Registrant's

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officers, including the PEO and PFO, concluded that, as of May 27, 2009, the Registrant's disclosure controls and procedures were reasonably designed so as to ensure: (1) that information required to be disclosed by the Registrant on Form N-CSR is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Registrant is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no changes in the Registrant'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 second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

### ITEM 12. EXHIBITS

(a)(1) The code of ethics disclosure required by Item 2 is not applicable to this semi-annual report.

(a)(2) Certifications of the principal executive officer and the principal financial officer pursuant to Rule 30a-2(a) under the Act (17 CFR 270.30a-2(a)), are attached hereto.

(a)(3) There were no written solicitations to purchase securities under Rule 23c-1 under the Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the Registrant to ten or more persons.

(b) Certifications of the principal executive officer and the principal financial officer, as required by Rule 30a-2(b) under the Act (17 CFR 270.30a-2(b)), Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) are attached hereto.

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### SIGNATURES

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

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Ellsworth Fund Ltd.

By: /s/ Thomas H. Dinsmore  
Thomas H. Dinsmore

Chairman of the Board and

Chief Executive Officer

(Principal Executive Officer)

Date: May 29, 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 registrant 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)

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Date: May 29, 2009

By: /s/ Gary I. Levine  
Gary I. Levine

Chief Financial Officer

(Principal Financial Officer)

Date: May 29, 2009

