

FLAHERTY & CRUMRINE/CLAYMORE TOTAL RETURN FUND INC

Form N-30B-2

April 20, 2005

\*\*\*\*\*PLEASE DISREGARD SUBMISSION 0000935069-05-000895 AS THIS FILING WAS FILED WITH INCORRECT FUND.\*\*\*\*\*

FLAHERTY & CRUMRINE/CLAYMORE TOTAL RETURN FUND

Dear Shareholder:

The Flaherty & Crumrine/Claymore Total Return Fund ("FLC") delivered very respectable results during the most recently concluded fiscal quarter. For the three month period ending February 28, 2005, the Fund produced a total return on net asset value ("NAV") of 5.3%(1). All segments of the investment portfolio performed well during the period. The Fund's hedges were a modest drag on investment results, as long-term interest rates declined during the period.

In recent letters, we have indicated that the Fund is susceptible to the same factors that have forced many other income-oriented funds to reduce their dividend distributions. In April, the Fund's monthly dividend was set at \$0.1480 per share, an 8.9% reduction from the prior month.

As is the case with other leveraged funds, rising short-term interest rates have increased the amount the Fund must pay on its Auction Market Preferred Stock ("AMPS"). Typically, rising short-term interest rates are accompanied by rising long-term rates, which should increase the value of the Fund's hedges. The gains on the hedges can then be invested in additional securities, which in turn increase the Fund's income, and, on balance, help keep the Fund's dividend relatively stable.

U.S. TREASURY YIELD CURVES

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

Maturity	4/30/04	2/28/05
0.25	0.97	2.74
0.50	1.14	2.97
2.00	2.31	3.58
3.00	2.75	3.75
5.00	3.61	3.99
10.00	4.50	4.36
30.00	5.28	4.71

As the above chart shows, current market conditions are anything but typical--since the Federal Reserve signaled its intent to raise short-term interest rates last April, short-term interest rates have increased by approximately 175 basis points, while long-term interest rates have FALLEN by over 50 basis points! As a result, the Fund's AMPS expense is significantly higher, but the hedges have not enabled us to produce more income. While we do not expect these conditions to persist for long periods, at this time it is necessary to adjust the monthly distribution to a more sustainable amount.

Over the longer term, a "flatter" yield curve (as measured by the difference in short- and long-term interest rates) is not a bad thing for the Fund. Obviously, the cost of the Fund's leverage will go up, but at

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 (1) Based on monthly data provided by Lipper Inc. Distributions are assumed to be reinvested at NAV in accordance with Lipper's practice.

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the same time, the cost of the Fund's hedging strategy should go down. This effect can be significant since the leverage comprises roughly 35.7% of the Fund's assets, while the ENTIRE portfolio is hedged. The impact of the higher leverage cost occurs almost immediately, while the benefits of lower hedging costs take a bit longer to impact the Fund's income. The mathematics of all this can be a bit daunting, but over the long run, these two effects have tended to offset each other.

As a rule, we don't comment on the market price of the Fund's common shares; however, recent market activity certainly does warrant some observations. Over the long run, the market price SHOULD track the net asset value. From time to time we expect to see some deviation due to factors or circumstances unique to the Fund. For example, most investors cannot replicate FLC's investment portfolio, hedging strategy, or leverage, and therefore may be willing to pay a premium to the NAV.

The chart below plots the recent market price and net asset value of FLC. For portions of this period, the market price traded at a premium to the NAV. We attributed this in part to the Fund's strategy plus an attractive dividend rate. During late February of this year, shares were trading around \$23 1/2; as of this writing, they are trading around \$21 1/2. During the same period, the net asset value declined less than \$0.50!

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

Flaherty & Crumrine/Claymore Total Return Fund  
Market Price vs. Net Asset Value

2/6/04	26.16	24.57
2/13/04	26.06	24.63
2/20/04	25.9	24.44
2/27/04	25.86	24.72
3/5/04	25.76	24.98
3/12/04	26.25	25.03
3/19/04	26.3	25.08
3/26/04	25.85	24.75
4/2/04	26.18	24.56
4/9/04	25.4	24.51
4/16/04	24.6	24.34
4/23/04	24.1	24.06
4/30/04	23.24	24.02
5/7/04	21.75	23.46
5/14/04	22.53	23.3
5/21/04	22.58	23.29
5/28/04	23.49	23.45
6/4/04	23.53	23.45
6/11/04	23.25	23.38
6/18/04	23.5	23.36
6/25/04	22.5	23.22
7/2/04	23.34	23.25
7/9/04	23.33	23.31
7/16/04	23.1	23.55
7/23/04	22.67	23.3
7/30/04	22.69	23.28
8/6/04	23.67	23.49
8/13/04	23.4	23.57
8/20/04	23.28	23.42
8/27/04	23.3	23.5
9/3/04	23.74	23.47
9/10/04	23.66	23.71
9/17/04	24.36	23.91



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Market Price	\$ 23.55
Discount	-3.13%
Yield on Market Price	8.28%
Common Shares Outstanding	9,776,333

INDUSTRY CATEGORIES % OF PORTFOLIO

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

Banks	34%
Utilities	27%
Insurance	16%
Financial Services	8%
REITs	6%
Other	6%
Oil and Gas	3%

MOODY'S RATINGS % OF PORTFOLIO

Aaa	0.5%
Aa	4.1%
A	32.6%
Baa	45.4%
Ba	7.4%
Not Rated	4.9%
Below by Investment Grade*	7.2%

\* BELOW INVESTMENT GRADE BY BOTH MOODY'S AND S&P.

TOP 10 HOLDINGS BY ISSUER % OF PORTFOLIO

Wachovia Corp.	5.2%
J.P. Morgan Chase	5.0%
Lehman Brothers	4.3%
Duke Energy	3.9%
Royal Bank of Scotland	3.6%
North Fork Bancorporation	3.2%
OneAmerica Financial	2.7%
Zurich RegCaPS	2.6%
Nexen, Inc.	2.6%
FPL Group, Inc.	2.5%

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 Holdings Generating Qualified Dividend Income (QDI) for Individuals  
 Holdings Generating Income Eligible for the Corporate Dividend Received Deduction (DRD)  
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\*\* THIS DOES NOT REFLECT YEAR-END RESULTS OR ACTUAL TAX CATEGORIZATION OF FUND DISTRIBUTIONS. THESE PERCENTAGES CAN, AND DO, CHANGE, PERHAPS SIGNIFICANTLY, DEPENDING ON MARKET CONDITIONS. INVESTORS SHOULD CONSULT THEIR TAX ADVISOR REGARDING THEIR PERSONAL SITUATION.

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 Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS  
 FEBRUARY 28, 2005 (UNAUDITED)  
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SHARES/\$ PAR  
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PREFERRED SECURITIES -- 72.5%  
     BANKING -- 33.6%

1,000	ABN AMRO North America, Inc., 6.59% Pfd., 144A****	\$
\$ 4,750,000	Astoria Capital Trust I, 9.75% 11/01/29 Capital Security, Series B	
38,800	BAC Capital Trust I, 7.00% Pfd.	
25,000	BAC Capital Trust III, 7.00% Pfd.	
10,900	BAC Capital Trust V, 7.00% Pfd.	
50,900	Bank One Capital Trust VI, 7.20% Pfd.	
\$ 1,000,000	BT Preferred Capital Trust II, 7.875% 02/25/27 Capital Security	
\$10,000,000	Chase Capital I, 7.67% 12/01/26 Capital Security	
14,400	Chase Capital XI, 5.875% Pfd. 06/15/33	
40,000	Cobank, ACB, 7.00% Pfd., 144A****	
20,000	Colonial Capital Trust IV, 7.875% Pfd.	
11,000	Comerica (Imperial) Capital Trust I, 7.60% Pfd.	
\$ 2,000,000	First Chicago NBD Capital A, 7.95% 12/01/26 Capital Security, 144A****	
\$ 400,000	First Empire Capital Trust I, 8.234% 02/01/27 Capital Security	
\$ 1,900,000	First Hawaiian Capital I, 8.343% 07/01/27 Capital Security, Series B	
\$ 2,000,000	First Midwest Capital Trust I, 6.95% Pfd. 12/01/33, Capital Security	
\$ 1,500,000	First Tennessee Capital Trust II, 6.30% 04/15/34 Capital Security, Series B	
\$ 2,000,000	First Union Institutional Capital II, 7.85% 01/01/27 Capital Security	
\$ 1,000,000	Fleet Capital Trust II, 7.92% 12/11/26 Capital Security	
18,000	Fleet Capital Trust VII, 7.20% Pfd.	
2	FT Real Estate Securities Company, 9.50% Pfd., 144A****	
\$ 7,100,000	GreenPoint Capital Trust I, 9.10% 06/01/27 Capital Security	
\$ 8,000,000	HBOS Capital Funding LP, 6.85% Pfd.	
\$ 855,000	HSBC Capital Trust II, 8.38% 05/15/27 Capital Security, 144A****	
\$ 3,000,000	Haven Capital Trust I, 10.46% 02/01/27 Capital Security	
4,200	Household Capital Trust VI, 8.25% Pfd.	
\$ 2,944,000	J.P. Morgan Capital Trust I, 7.54% 01/15/27 Capital Security	
3,955	J.P. Morgan Chase & Co., 6.625% Pfd., Series H	

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\$ 5,000,000	Keycorp Institutional Capital A, 7.826% 12/01/26 Capital Security, Series A ...
10	Marshall & Ilsley Investment II, 8.875% Pfd., 144A**** .....
\$ 1,000,000	NB Capital Trust IV, 8.25% Capital Security .....
\$ 2,500,000	North Fork Capital Trust I, 8.70% 12/15/26 Capital Security .....
\$ 810,000	North Fork Capital Trust II, 8.00% 12/15/27 Capital Security .....
\$ 4,000,000	RBS Capital Trust B, 6.80% Pfd. ....
2,100	Regions Financial Trust I, 8.00% Pfd. ....
\$ 1,600,000	Republic New York Capital I, 7.75% 11/15/26 Capital Security .....
\$ 716,000	Republic New York Capital II, 7.53% 12/04/26 Capital Security .....
25	Roslyn Real Estate, 8.95% Pfd., Pvt., Series C, 144A**** .....

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 Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS (CONTINUED)  
 FEBRUARY 28, 2005 (UNAUDITED)  
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SHARES/\$ PAR  
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PREFERRED SECURITIES - (CONTINUED)  
 BANKING - (CONTINUED)

	Royal Bank of Scotland Group PLC:	
20,000	6.40% Pfd., Series .....	\$
\$ 6,820,000	7.648% Pfd. ....	
\$ 5,050,000	Union Planters Capital Trust, 8.20% 12/15/26 Capital Security .....	
19,000	USB Capital V, 7.25% Pfd. ....	
\$ 5,000,000	Wachovia Capital Trust I, 7.64% 01/15/27 Capital Security, 144A**** .....	
\$ 1,170,000	Wachovia Capital Trust V, 7.965% 06/01/27 Capital Security, 144A**** .....	
350,000	Wachovia Preferred Funding, 7.25% Pfd., Series A .....	
\$ 4,000,000	Webster Capital Trust I, 9.36% 01/29/2027 Capital Security, 144A**** .....	
7,900	Wells Fargo Capital Trust IV, 7.00% Pfd. ....	
20,000	Wells Fargo Capital Trust IX, 5.625% Pfd. ....	

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 FINANCIAL SERVICES -- 6.7%

141,000	Fannie Mae, Adj. Rate Pfd. ....
	Lehman Brothers Holdings, Inc.:
86,500	5.94% Pfd., Series C .....
232,100	6.50% Pfd., Series F .....
9,700	Merril Lynch Capital Trust III, 7.00% Pfd. ....
168,650	Merril Lynch Capital Trust V, 7.28% Pfd. ....
17,200	Morgan Stanley Capital Trust II, 7.25% Pfd. ....
15,000	Morgan Stanley Capital Trust IV, 6.25% Pfd. ....
6,000	Morgan Stanley Capital Trust V, 5.75% Pfd. ....

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 INSURANCE -- 11.0%

15,000	AAG Holding Company, Inc., 7.25% Pfd. ....
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177,380	ACE Ltd., 7.80% Pfd., Series C .....
\$ 6,420,000	AON Capital Trust A, 8.205% 01/01/27 Capital Security .....
189,400	Everest Re Capital Trust II, 6.20% Pfd., Series B .....
	ING Groep NV:
36,000	7.05% Pfd. ....
125,000	7.20% Pfd. ....
30,000	Renaissancere Holdings Ltd., 6.08% Pfd., Series C .....
40,000	St. Paul Capital Trust I, 7.60% Pfd. ....
\$ 500,000	Sun Life Canada, 8.526% Pfd., 144A**** .....
\$ 4,815,000	USF&G Capital, 8.312% 07/01/46 Capital Security, 144A**** .....
30,000	XL Capital Ltd., 7.625% Pfd., Series B .....
9,175	Zurich RegCaPS Funding Trust, 6.58% Pfd., 144A**** .....

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Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS (CONTINUED)  
 FEBRUARY 28, 2005 (UNAUDITED)

SHARES/\$ PAR

PREFERRED SECURITIES - (CONTINUED)  
 UTILITIES -- 13.4%

222,700	Alabama Power Company, 5.30% Pfd. ....
45,700	Baltimore Gas & Electric Company, 6.70% Pfd., Series 1993 .....
\$ 2,750,000	COMED Financing II, 8.50% 01/15/27 Capital Security, Series B .....
\$ 2,500,000	Dominion Resources Capital Trust I, 7.83% 12/01/27 Capital Security .....
	Duke Energy Corporation:
50,214	7.04% Pfd., Series Y .....
22,934	7.85% Pfd., Series S .....
20,000	Energy East Capital Trust I, 8.25% Pfd. ....
758	Entergy Arkansas, Inc., 7.40% Pfd. ....
70,000	FPC Capital I, 7.10% Pfd., Series A .....
\$ 4,500,000	Houston Light & Power, Capital Trust II, 8.257%, 02/01/37 Capital Security ....
30,445	Indianapolis Power & Light Company, 5.65% Pfd. ....
	Interstate Power & Light Company:
90,000	7.10% Pfd., Series C .....
38,600	8.375% Pfd., Series B .....
\$ 5,000,000	PECO Energy Capital Trust IV, 5.75% 06/15/33 Capital Security .....
16,200	PSEG Funding Trust II, 8.75% Pfd. ....
120,000	Southern Union Company, 7.55% Pfd. ....
10,000	Southwest Gas Capital II, 7.70% Pfd. ....
5,000	Union Electric Company, \$7.64 Pfd. ....
82,717	Wisconsin Power & Light Company, 6.50% Pfd. ....

OIL AND GAS -- 0.8%

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2,750 EOG Resources, Inc., 7.195% Pfd., Series B .....

REAL ESTATE INVESTMENT TRUST (REIT) -- 6.2%

16,020 AMB Property Corporation, 6.75% Pfd., REIT, Series M .....

40,000 BRE Properties, Inc., 6.75% Pfd., REIT, Series C .....

38,750 Carramerica Realty Corporation, 7.50% Pfd., REIT, Series E .....

Duke Realty Corporation:

50,000 6.50% Pfd., REIT, Series K .....

10,000 6.60% Pfd., REIT, Series L .....

19,549 6.625% Pfd., REIT, Series J .....

Equity Residential Properties:

18,962 6.48% Pfd., REIT, Series N .....

85,000 8.29% Pfd., REIT, Series K .....

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Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS (CONTINUED)  
 FEBRUARY 28, 2005 (UNAUDITED)

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PREFERRED SECURITIES - (CONTINUED)

REAL ESTATE INVESTMENT TRUST (REIT) -- (CONTINUED)

PS Business Parks, Inc.:

57,000 6.875% Pfd., REIT, Series I .....

16,900 7.00% Pfd., REIT, Series H .....

44,500 7.60% Pfd., REIT, Series L .....

45,000 7.95% Pfd., REIT, Series K .....

Public Storage, Inc.:

44,200 7.50% Pfd., REIT, Series V .....

1,400 7.625% Pfd., REIT, Series T .....

48,600 8.00% Pfd., REIT, Series R .....

125,000 Regency Centers Corporation, 7.25% Pfd., REIT .....

86,000 Weingarten Realty Investment, 6.95% Pfd., REIT .....

MISCELLANEOUS INDUSTRIES -- 0.8%

34,000 Ocean Spray Cranberries, Inc., 6.25% Pfd., 144A\*\*\*\* .....

TOTAL PREFERRED SECURITIES

(Cost \$254,083,997) .....

CORPORATE DEBT SECURITIES -- 22.1%



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FINANCIAL SERVICES -- 1.4%

600	Corp-Backed Trust Certificates, 5.80% Pfd., Series Goldman Sachs .....
\$ 5,018,000	Lehman Brothers, Guaranteed Note, Variable Rate, 12/16/16, 144A**** .....

INSURANCE -- 4.8%

20,000	American Financial Group, Inc., 7.125% 02/03/34, Senior Note .....
\$ 8,700,000	OneAmerica Financial Partners, 7.00% 10/15/33, 144A**** .....
\$ 7,000,000	UnumProvident Corporation, 7.25% 03/15/28, Senior Notes .....

OIL AND GAS -- 2.6%

356,200	Nexen, Inc., 7.35% Subordinated Notes .....
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UTILITIES -- 11.0%

\$ 2,000,000	AEP Texas Central Company, 6.65% 02/15/33, Senior Notes, Series E.....
\$ 6,100,000	Constellation Energy Group, 7.60% Pfd., 04/01/32, Senior Notes .....

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Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS (CONTINUED)  
 FEBRUARY 28, 2005 (UNAUDITED)

SHARES/\$ PAR

CORPORATE DEBT SECURITIES - (CONTINUED)  
 UTILITIES -- (CONTINUED)

27,200	Corp-Backed Trust Certificates, 7.875% 02/15/32, Series Duke Capital .....	\$
\$ 5,000,000	Duke Capital Corporation, 8.00% 10/01/19 Senior Notes .....	
5,000	Entergy Mississippi, Inc., 7.25% 1st Mortgage .....	
66,700	Georgia Power Company, 6.00%, 08/15/44, Senior Notes, FGIC Insured .....	
\$ 4,000,000	Indianapolis Power & Light Company, 6.60% 01/01/34, 1st Mortgage, 144A**** ....	
\$ 4,000,000	Interstate Power & Light Company, 6.45% 10/15/33, Senior Notes .....	
\$ 5,670,000	Oncor Electric Delivery Company, 7.25% 01/15/33, Secured .....	
\$ 1,200,000	TXU Corporation, 6.55% 11/15/34, 144A**** .....	
\$ 4,000,000	Wisconsin Electric Power Company, 6.875% 12/01/95 .....	

MISCELLANEOUS -- 2.3%

19,625	Ford Motor Company, 7.50% 06/10/43, Senior Notes .....
\$ 6,265,000	General Motors Corporation, 8.80% 03/01/21 .....

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25,300 Maytag Corporation, 7.875% 08/01/31 .....  
 \$ 950,000 Verizon Maryland, 7.15% 05/01/23 .....

TOTAL CORPORATE DEBT SECURITIES  
 (Cost \$75,942,231) .....

COMMON STOCK AND CONVERTIBLE SECURITIES -- 2.7%  
 INSURANCE -- 0.2%

36,000 XL Capital Ltd., 6.50% Mandatory Convertible, 05/15/07 .....

UTILITIES -- 2.5%

114,077 FPL Group, Inc .....

TOTAL COMMON STOCK AND CONVERTIBLE SECURITIES  
 (Cost \$8,889,977) .....

OPTION CONTRACTS -- 1.1%

2,300 June Put Options on June U.S. Treasury Bond Futures, Expiring 05/20/05 .....

TOTAL OPTION CONTRACTS  
 (Cost \$2,773,916) .....

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Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 PORTFOLIO OF INVESTMENTS (CONTINUED)  
 FEBRUARY 28, 2005 (UNAUDITED)

SHARES/\$ PAR

MONEY MARKET FUND -- 0.0%

110,327 BlackRock Provident Institutional, TempFund ..... \$

TOTAL MONEY MARKET FUND  
 (Cost \$110,327) .....

TOTAL INVESTMENTS (Cost \$341,800,448\*\*\*) ..... 98.4%  
 OTHER ASSETS AND LIABILITIES (NET) ..... 1.6%

TOTAL NET ASSETS AVAILABLE TO COMMON STOCK AND PREFERRED STOCK ..... 100.0%+ \$

AUCTION MARKET PREFERRED STOCK (AMPS) REDEMPTION VALUE ..... (

TOTAL NET ASSETS AVAILABLE TO COMMON STOCK ..... \$  
 =====

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 Flaherty & Crumrine/Claymore Total Return Fund Incorporated  
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE TO COMMON STOCK(1)  
 FOR THE PERIOD FROM DECEMBER 1, 2004 THROUGH FEBRUARY 28, 2005 (UNAUDITED)  
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	VALUE
	-----
OPERATIONS:	
Net investment income .....	\$ 4,980
Net realized loss on investments sold during the period .....	(1,010)
Change in net unrealized appreciation of investments held during the period ....	8,799
Distributions to Auction Market Preferred Stock (AMPS) Shareholders from net investment income, including changes in accumulated undeclared distributions	(733)
	-----
NET INCREASE IN NET ASSETS FROM OPERATIONS .....	12,035
DISTRIBUTIONS:	
Dividends paid from net investment income to Common Stock Shareholders(2) .....	(4,762)
	-----
TOTAL DISTRIBUTIONS TO COMMON STOCK SHAREHOLDERS .....	(4,762)
FUND SHARE TRANSACTIONS:	
Increase from Common Stock Transactions .....	536
	-----
NET INCREASE IN NET ASSETS AVAILABLE TO COMMON STOCK RESULTING FROM FUND SHARE TRANSACTIONS .....	536
NET INCREASE IN NET ASSETS AVAILABLE TO COMMON STOCK FOR THE PERIOD .....	\$ 7,809
	=====
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NET ASSETS AVAILABLE TO COMMON STOCK:	
Beginning of period .....	\$ 229,804
Net increase during the period .....	7,809
	-----
End of period .....	\$ 237,614
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FOR A COMMON SHARE OUTSTANDING THROUGHOUT THE PERIOD.

PER SHARE OPERATING PERFORMANCE:

Net asset value, beginning of period ..... \$

INVESTMENT OPERATIONS:

Net investment income .....

Net realized and unrealized gain on investments .....

DISTRIBUTIONS TO AMPS\* SHAREHOLDERS:

From net investment income .....

From net realized capital gains .....

Total from investment operations .....

DISTRIBUTIONS TO COMMON SHAREHOLDERS:

From net investment income .....

From net realized capital gains .....

Total distributions to Common Shareholders .....

Net asset value, end of period ..... \$

Market value, end of period ..... \$

Common shares outstanding, end of period ..... 9,77

RATIOS TO AVERAGE NET ASSETS AVAILABLE TO COMMON STOCK SHAREHOLDERS:

Net investment income + .....

Operating expenses .....

SUPPLEMENTAL DATA:++

Portfolio turnover rate .....

Total net assets available to Common and Preferred Stock, end of period (in 000's) \$ 36

Ratio of operating expenses to total average net assets available to

Common and Preferred Stock .....

Flaherty & Crumrine/Claymore Total Return Fund Incorporated

FINANCIAL HIGHLIGHTS (CONTINUED)

PER SHARE OF COMMON STOCK (UNAUDITED)

	TOTAL DIVIDENDS PAID	NET ASSET VALUE	NYSE CLOSING PRICE	DIVIDEND REINVESTMENT PRICE (1)
December 31, 2004 .....	\$0.1625	\$24.08	\$24.80	\$24.08
January 31, 2005 .....	0.1625	24.33	24.28	24.50

February 28, 2005 ..... 0.1625 24.31 23.55 23.87

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[GRAPHIC OMITTED]

LIGHTHOUSE GRAPHIC

FLAHERTY & CRUMRINE/CLAYMORE

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TOTAL RETURN FUND

QUARTERLY  
REPORT

FEBRUARY 28, 2005

web site: [www.fcclaymore.com](http://www.fcclaymore.com)

DIRECTORS

Martin Brody  
Donald F. Crumrine, CFA  
Nicholas Dalmaso  
David Gale  
Morgan Gust  
Robert F. Wulf, CFA

OFFICERS

Donald F. Crumrine, CFA  
Chairman of the Board  
and Chief Executive Officer  
Robert M. Ettinger, CFA  
President  
R. Eric Chadwick, CFA  
Chief Financial Officer,  
Vice President, Treasurer  
and Secretary  
Peter C. Stimes, CFA  
Chief Compliance  
Officer and Vice President  
Nicholas Dalmaso  
Vice President  
Bradford S. Stone  
Vice President  
Laurie Lodolo  
Assistant Compliance Officer,  
Assistant Treasurer and

Assistant Secretary

INVESTMENT ADVISER

Flaherty & Crumrine Incorporated  
e-mail: flaherty@pfdincome.com

QUESTIONS CONCERNING YOUR SHARES OF FLAHERTY &  
CRUMRINE/CLAYMORE TOTAL RETURN FUND?

- o If your shares are held in a Brokerage Account, contact your Broker.
- o If you have physical possession of your shares in certificate form, contact the Fund's Transfer Agent & Shareholder Servicing Agent --

PFPC Inc.  
P.O. Box 43027  
Providence, RI 02940-3027  
1-800-331-1710

THIS REPORT IS SENT TO SHAREHOLDERS OF FLAHERTY & CRUMRINE/CLAYMORE TOTAL RETURN FUND INCORPORATED FOR THEIR INFORMATION. IT IS NOT A PROSPECTUS, CIRCULAR OR REPRESENTATION INTENDED FOR USE IN THE PURCHASE OR SALE OF SHARES OF THE FUND OR OF ANY SECURITIES MENTIONED IN THIS REPORT.