

ELLSWORTH FUND LTD
Form N-Q
August 28, 2014

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:

Steven B. King, Esq.

Ballard Spahr 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, 2014

Date of reporting period: June 30, 2014

ITEM 1. SCHEDULE OF INVESTMENTS.

Ellsworth Fund Ltd. - Schedule of Investments – unaudited

June 30, 2014

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| | Principal Amount | Value (Note 1) |
|---|---------------------|-------------------|
| Convertible Bonds and Notes - 53.6% | | |
| Airlines - 1.3% | | |
| Hawaiian Holdings, Inc., 5.00%, Due 3/15/16, (BBB) | \$1,000,000 | \$1,812,500 |
| Automobiles - 0.1% | | |
| Tesla Motors, Inc., 1.25%, Due 3/1/21, (BBB) | 200,000 | 194,375 |
| Biotechnology - 7.5% | | |
| Acorda Therapeutics, Inc., 1.75%, Due 6/15/21, (A) | 250,000 | 260,469 |
| AMAG Pharmaceuticals, Inc., 2.50%, Due 2/15/19, (BB) | 500,000 | 529,375 |
| Array BioPharma Inc., 3.00%, Due 6/1/20, (BB) | 250,000 | 250,312 |
| Cepheid, 1.25%, Due 2/1/21, (BBB) (1) | 300,000 | 310,875 |
| Cubist Pharmaceuticals, Inc., 1.875%, Due 9/1/20, (BBB) (1) | 1,100,000 | 1,256,750 |
| Emergent BioSolutions Inc., 2.875%, Due 1/15/21, (BBB) (1) | 800,000 | 838,500 |
| Exelixis, Inc., 4.25%, Due 8/15/19, (BB) | 750,000 | 637,500 |
| Gilead Sciences, Inc., 1.625%, Due 5/1/16, (A) | 900,000 | 3,282,192 |
| Incyte Corp., 1.25%, Due 11/15/20, (BBB) (1) | 1,000,000 | 1,351,875 |
| Merrimack Pharmaceuticals, Inc., 4.50%, Due 7/15/20, (BB) | 250,000 | 332,188 |
| OPKO Health Inc., 3.00%, Due 2/1/33, (BBB) | 400,000 | 543,500 |
| Regeneron Pharmaceuticals, Inc., 1.875%, Due 10/1/16, (A) | 250,000 | 840,469 |
| | | 10,434,005 |
| Capital Markets - 0.7% | | |
| FXCM Inc., 2.25%, Due 6/15/18, (A) | 1,000,000 | 1,035,625 |
| Communications Equipment - 0.1% | | |
| Finisar Corp., 5.00%, Due 10/15/29, (BBB) | 75,000 | 141,141 |
| Consumer Finance - 1.3% | | |
| Encore Capital Group, Inc., 3.00%, Due 7/1/20, (BBB) (1) | 1,000,000 | 1,169,375 |
| Portfolio Recovery Associates, Inc., 3.00%, Due 8/1/20, (A) | 500,000 | 597,500 |
| | | 1,766,875 |
| Diversified Consumer Services - 0.8% | | |
| Carriage Services, Inc., 2.75%, Due 3/15/21, (BBB) (1) | 1,000,000 | 1,041,880 |
| Diversified Telecommunications Services - 0.6% | | |
| Alaska Communications Systems Group Inc., 6.25%, Due 5/1/18, (BB) | 1,000,000 | 822,500 |
| Electrical Equipment - 0.3% | | |
| SolarCity Corp., 2.75%, Due 11/1/18, (BBB) | 250,000 | 348,750 |
| Electronic Equipment Instruments - 0.9% | | |
| InvenSense, Inc., 1.75%, Due 11/1/18, (BBB) (1) | 1,000,000 | 1,239,375 |
| Energy Equipment & Services - 1.1% | | |
| Bristow Group Inc., 3.00%, Due 6/15/38, (BB) | 1,155,000 | 1,469,016 |
| Food Products - 0.5% | | |
| Chiquita Brands International, 4.25%, Due 8/15/16, (CCC) | 700,000 | 708,312 |

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| | | |
|--|-----------|-----------|
| Health Care Equipment & Supplies - 0.2% | | |
| The Spectranetics Corporation, 2.625%, Due 6/1/34, (A) | 250,000 | 261,094 |
| Health Care Providers & Services - 1.1% | | |
| Molina Healthcare Inc., 1.125%, Due 1/15/20, (A) | 1,250,000 | 1,568,750 |

Ellsworth Fund Ltd. - Schedule of Investments - continued

June 30, 2014

| | Principal Amount | Value (Note 1) |
|--|---------------------|-------------------|
| Convertible Bonds and Notes - continued | | |
| Hotels, Restaurants & Leisure - 0.5% | | |
| MGM Resorts International, 4.25%, Due 4/15/15, (BBB) | \$500,000 | \$735,312 |
| Household Durables - 1.2% | | |
| Jarden Corp., 1.875%, Due 9/15/18, (BBB) | 1,250,000 | 1,728,906 |
| Insurance - 0.6% | | |
| AmTrust Financial Services, Inc., 5.50%, Due 12/15/21, (A) | 500,000 | 823,750 |
| Internet & Catalog Retail - 1.9% | | |
| HomeAway, Inc., 0.125%, Due 4/1/19, (A) (1) | 500,000 | 489,688 |
| The Priceline Group Inc., 1.00%, Due 3/15/18, (BBB) | 1,500,000 | 2,132,812 |
| | | 2,622,500 |
| Internet Software & Services - 2.7% | | |
| Equinix Inc., 4.75%, Due 6/15/16, (A) | 750,000 | 1,916,250 |
| Move, Inc., 2.75%, Due 9/1/18, (A) | 500,000 | 543,125 |
| Web.com Group, Inc., 1.00%, Due 8/15/18, (BBB) | 1,250,000 | 1,347,656 |
| | | 3,807,031 |
| IT Services - 0.8% | | |
| CSG Systems International, Inc., 3.00%, Due 3/1/17, (A) | 900,000 | 1,121,625 |
| Life Science Tools & Services - 1.5% | | |
| llumina, Inc., 0.25%, Due 3/15/16, (A) | 750,000 | 1,613,441 |
| llumina, Inc., 0.50%, Due 6/15/21, (A) (1) | 500,000 | 515,625 |
| | | 2,129,066 |
| Machinery - 0.8% | | |
| Chart Industries, Inc., 2.00%, Due 8/1/18, (BB) | 750,000 | 1,051,406 |
| Media - 0.6% | | |
| Liberty Media Corp., 1.375%, Due 10/15/23, (A) | 750,000 | 762,188 |

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| | | |
|--|-----------|-----------|
| Metals & Mining - 2.0% | | |
| A.M. Castle & Co., 7.00%, Due 12/15/17, (BBB) | 400,000 | 518,000 |
| Kaiser Aluminum Corp., 4.50%, Due 4/1/15, (BB) | 750,000 | 1,152,656 |
| RTI International Metals, Inc., 3.00%, Due 12/1/15, (BBB) | 600,000 | 624,750 |
| RTI International Metals, Inc., 1.625%, Due 10/15/19, (BBB) | 500,000 | 504,375 |
| | | 2,799,781 |
| Oil, Gas & Consumable Fuels - 1.4% | | |
| Clean Energy Fuels Corp., 5.25%, Due 10/1/18, (BBB) | 500,000 | 487,812 |
| Goodrich Petroleum Corp., 5.00%, Due 10/1/32, (CCC) | 742,000 | 922,862 |
| Ship Finance International Ltd., 3.25%, Due 2/1/18, (B) | 500,000 | 567,812 |
| | | 1,978,486 |
| Pharmaceuticals - 2.4% | | |
| Mylan Inc., 3.75%, Due 9/15/15, (BBB) | 500,000 | 1,940,938 |
| Salix Pharmaceuticals, Ltd., 2.75%, Due 5/15/15, (B) | 300,000 | 803,062 |
| Salix Pharmaceuticals, Ltd., 1.50%, Due 3/15/19, (B) | 300,000 | 590,438 |
| | | 3,334,438 |
| Real Estate Investment Trusts - 2.8% | | |
| American Realty Capital Properties, Inc., 3.00%, Due 8/1/18, (A) | 1,000,000 | 1,016,875 |
| Colony Financial, Inc., 5.00%, Due 4/15/23, (AA) | 1,250,000 | 1,350,781 |
| Lexington Realty Trust, 6.00%, Due 1/15/30, (BBB) | 300,000 | 487,875 |
| RAIT Financial Trust, 4.00%, Due 10/1/33, (A) | 500,000 | 489,375 |
| Spirit Realty Capital, Inc., 3.75%, Due 5/15/21, (A) | 500,000 | 503,128 |
| | | 3,848,034 |
| Real Estate Management - 0.8% | | |
| Forest City Enterprises, Inc., 3.625%, Due 8/15/20, (B) | 1,000,000 | 1,056,250 |

Ellsworth Fund Ltd. - Schedule of Investments - continued

June 30, 2014

| | Principal Amount | Value (Note 1) |
|--|---------------------|-------------------|
| Convertible Bonds and Notes - continued | | |
| Semiconductors & Semiconductor Equipment - 8.1% | | |
| GT Advanced Technologies Inc., 3.00%, Due 12/15/20, (BB) | \$850,000 | \$1,485,375 |
| Intel Corp., 2.95%, Due 12/15/35, (AA) (2) | 1,000,000 | 1,245,625 |
| JinkoSolar Holding Co., Ltd., 4.00%, Due 2/1/19, (BB) (1) | 500,000 | 497,812 |
| Micron Technology, Inc., 3.00%, Due 11/15/43, (BB) | 1,750,000 | 2,262,969 |
| Photronics, Inc., 3.25%, Due 4/1/16, (A) | 1,000,000 | 1,081,875 |
| Rudolph Technologies Inc., 3.75%, Due 7/15/16, (A) | 500,000 | 534,062 |
| Spansion LLC, 2.00%, Due 9/1/20, (B) | 500,000 | 822,188 |
| SunEdison, Inc., 2.75%, Due 1/1/21, (BB) | 500,000 | 865,625 |
| SunEdison, Inc., 0.25%, Due 1/15/20, (BB) (1) | 375,000 | 403,359 |

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| | | |
|--|-----------|------------|
| SunPower Corp., 0.875%, Due 6/1/21, (BBB) (1) | 1,000,000 | 1,175,625 |
| Xilinx, Inc., 2.625%, Due 6/15/17, (A) | 500,000 | 830,938 |
| | | 11,205,453 |
| Software - 6.3% | | |
| Bottomline Technologies, Inc., 1.50%, Due 12/1/17, (A) | 750,000 | 888,750 |
| Mentor Graphics Corp., 4.00%, Due 4/1/31, (A) | 1,000,000 | 1,229,375 |
| MercadoLibre, Inc., 2.25%, Due 7/1/19, (AA) (1) | 250,000 | 262,812 |
| NQ Mobile Inc., 4.00%, Due 10/15/18, (BB) | 500,000 | 320,625 |
| Nuance Communications, Inc., 2.75%, Due 11/1/31, (BB) (1) | 2,000,000 | 2,007,500 |
| Proofpoint, Inc., 1.25%, Due 12/15/18, (BBB) | 650,000 | 779,594 |
| Take-Two Interactive Software, Inc., 1.75%, Due 12/1/16, (A) | 1,000,000 | 1,313,750 |
| TeleCommunication Systems, Inc., 7.75%, Due 6/30/18, (BBB) | 1,000,000 | 980,000 |
| Verint Systems Inc., 1.50%, Due 6/1/21, (B) | 950,000 | 978,500 |
| | | 8,760,906 |
| Textiles, Apparel & Luxury Goods - 1.8% | | |
| Iconix Brand Group, Inc., 2.50%, Due 6/1/16, (A) | 1,000,000 | 1,450,000 |
| Iconix Brand Group, Inc., 1.50%, Due 3/15/18, (A) | 750,000 | 1,091,250 |
| | | 2,541,250 |
| Trading Companies & Distributors - 0.7% | | |
| Kaman Corp., 3.25%, Due 11/15/17, (A) | 750,000 | 1,017,656 |
| | | |
| Total Convertible Bonds and Notes | | 74,168,236 |
| | | |
| | Shares | |
| Convertible Preferred Stock - 10.0% | | |
| Commercial Banks - 2.1% | | |
| Huntington Bancshares, Inc., 8.50%, (BB) | 1,250 | 1,662,500 |
| Wells Fargo & Co., 7.50%, (BBB) | 1,000 | 1,214,000 |
| | | 2,876,500 |
| Diversified Financial Services - 1.3% | | |
| Bank of America Corp., 7.25%, (BB) | 1,600 | 1,867,200 |
| | | |
| Food Products - 1.6% | | |
| Bunge Ltd., 4.875%, (BB) | 7,500 | 779,625 |
| Post Holdings, Inc., 3.75%, (B) | 8,300 | 985,127 |
| Post Holdings, Inc., 2.50%, (B) | 5,000 | 509,688 |
| | | 2,274,440 |
| Machinery - 0.8% | | |
| Stanley Black & Decker, Inc., 6.25%, (BBB) | 10,000 | 1,136,300 |
| | | |
| Oil, Gas & Consumable Fuels - 1.9% | | |
| Chesapeake Energy Corp., 5.75%, (B) | 1,550 | 1,972,375 |
| Halcon Resources Corp., 5.75%, (CCC) | 500 | 610,000 |
| | | 2,582,375 |
| Real Estate Investment Trusts - 0.8% | | |
| Health Care REIT, Inc., 6.50%, (BB) | 20,000 | 1,154,800 |

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Ellsworth Fund Ltd. - Schedule of Investments - continued

June 30, 2014

| | Shares | Value (Note 1) |
|---|---------|-------------------|
| Convertible Preferred Stock - continued | | |
| Specialty Retail - 0.6% | | |
| Amerivon Holdings LLC, 4.00%, (NR) (1,3,4) | 655,793 | \$763,605 |
| Amerivon Holdings LLC, common equity units, (NR) (1,3,4) | 272,728 | 16,364 |
| | | 779,969 |
| Thrift & Mortgage Finance - 0.9% | | |
| New York Community Capital Trust V, 6.00%, (BB) | 24,000 | 1,180,080 |
| | | |
| Total Convertible Preferred Stock | | 13,851,664 |
| Mandatory Convertible Securities - 9.5% (5) | | |
| Aerospace & Defense - 1.9% | | |
| United Technologies Corp., 7.50%, Due 8/1/15, (BBB) | 40,000 | 2,607,600 |
| Biotechnology - 0.0% | | |
| AmSurg Corp., 5.25%, Due 7/1/17, (NR) | 500 | 50,350 |
| Electric Utilities - 1.7% | | |
| NextEra Energy, Inc., 5.599%, Due 6/1/15, (BBB) | 7,500 | 504,375 |
| NextEra Energy, Inc., 5.799%, Due 9/1/16, (BBB) | 10,000 | 571,200 |
| NextEra Energy, Inc., 5.889%, Due 9/1/15, (BBB) | 20,000 | 1,300,200 |
| | | 2,375,775 |
| Food Products - 0.2% | | |
| Post Holdings, Inc., 5.25%, Due 6/1/17, (B) | 2,500 | 265,625 |
| Insurance - 1.4% | | |
| Maiden Holdings, Ltd., 7.25%, Due 9/15/16, (NR) | 22,500 | 1,090,350 |
| MetLife, Inc., 5.00%, Due 10/8/14, (BBB) | 25,000 | 799,000 |
| | | 1,889,350 |
| Multi-Utilities - 1.0% | | |
| Dominion Resources, Inc., 6.125%, Due 4/1/16, (BBB) | 12,500 | 720,625 |
| Dominion Resources, Inc., 6.00%, Due 7/1/16, (BBB) | 12,500 | 725,250 |
| | | 1,445,875 |
| Real Estate Investment Trusts - 2.3% | | |
| American Tower Corp., 5.25%, Due 5/15/17, (NR) | 1,250 | 133,562 |
| Crown Castle International Corp., 4.50%, Due 11/1/16, (B) | 12,500 | 1,268,625 |
| Weyerhaeuser Co., 6.375%, Due 7/1/16, (BBB) | 30,000 | 1,713,900 |
| | | 3,116,087 |
| Road & Rail - 1.0% | | |
| Genesee & Wyoming, Inc., 5.00%, Due 10/1/15, (NR) | 10,000 | 1,353,800 |

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| | | |
|--|---------|------------|
| Total Mandatory Convertible Securities (5) | | 13,104,462 |
| Common Stock - 26.1% | | |
| Automobiles - 1.2% | | |
| Ford Motor Co. | 100,000 | 1,724,000 |
| Capital Markets - 0.9% | | |
| BlackRock Kelso Capital Corp. | 131,034 | 1,193,720 |
| Commercial Banks - 0.8% | | |
| Wells Fargo & Co. | 22,200 | 1,166,832 |
| Computers & Peripherals - 2.2% | | |
| EMC Corp. | 70,000 | 1,843,800 |
| Stratasys Ltd. (6) | 10,000 | 1,136,300 |
| | | 2,980,100 |
| Diversified Financial Services - 0.7% | | |
| Citigroup Inc. | 19,546 | 920,617 |

Ellsworth Fund Ltd. - Schedule of Investments - continued

June 30, 2014

| | Shares | Value (Note 1) |
|--|--------|-------------------|
| Common Stock - continued | | |
| Diversified Telecommunications Services - 3.0% | | |
| AT&T Inc. | 70,000 | \$2,475,200 |
| Verizon Communications Inc. | 35,260 | 1,725,272 |
| | | 4,200,472 |
| Food Products - 1.3% | | |
| B&G Foods, Inc. | 15,000 | 490,350 |
| ConAgra Foods, Inc. | 45,000 | 1,335,600 |
| | | 1,825,950 |
| Household Products - 1.0% | | |
| Church & Dwight Co., Inc. | 20,000 | 1,399,000 |
| Industrial Conglomerates - 0.9% | | |
| General Electric Co. | 50,000 | 1,314,000 |
| Insurance - 0.5% | | |
| MetLife, Inc. | 14,175 | 787,563 |

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| | | |
|---|--------|---------------|
| Media - 0.9% | | |
| Walt Disney Co. | 15,000 | 1,286,100 |
| Oil, Gas & Consumable Fuels - 2.8% | | |
| ConocoPhillips | 26,782 | 2,296,021 |
| Halcon Resources Corp. (6) | 1,380 | 10,060 |
| Kinder Morgan, Inc. | 45,000 | 1,631,700 |
| | | 3,937,781 |
| Pharmaceuticals - 3.8% | | |
| AbbVie Inc. | 25,000 | 1,411,000 |
| Eli Lilly & Co. | 15,000 | 932,550 |
| Merck & Co., Inc. | 22,651 | 1,310,360 |
| Pfizer Inc. | 40,000 | 1,187,200 |
| Roche Holdings Ltd. | 12,500 | 466,250 |
| | | 5,307,360 |
| Real Estate Investment Trusts - 1.5% | | |
| American Tower Corp. | 12,000 | 1,079,760 |
| Invesco Mortgage Capital Inc. | 58,700 | 1,019,032 |
| | | 2,098,792 |
| Semiconductors & Semiconductor Equipment - 0.7% | | |
| Intel Corp. | 30,000 | 927,000 |
| Software - 0.9% | | |
| Microsoft Corp. | 28,600 | 1,192,620 |
| Wireless Telecommunication Services - 2.7% | | |
| SBA Communications Corp. (6) | 20,500 | 2,097,150 |
| Vodafone Group Plc (ADR) | 50,909 | 1,699,852 |
| | | 3,797,002 |
| Total Common Stock | | 36,058,909 |
| Convertible Bonds and Notes - 53.6% | | \$74,168,236 |
| Convertible Preferred Stock - 10.0% | | 13,851,664 |
| Mandatory Convertible Securities - 9.5% | | 13,104,462 |
| Common Stock - 26.1% | | 36,058,909 |
| Total Investments - 99.2% | | 137,183,271 |
| Other Assets, Net of Liabilities - 0.8% | | 1,146,715 |
| Total Net Assets - 100.0% | | \$138,329,986 |

Ellsworth Fund Ltd. - Schedule of Investments – continued

June 30, 2014

(1) Security not registered under the Securities Act of 1933, as amended (the "Securities Act") (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, 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 June 30, 2014 was \$13,341,020 which represented 9.6% of the Fund's net assets.

(2) Contingent payment debt instrument which accrues contingent interest.

(3) Investment is valued at fair value as determined in good faith pursuant to 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 fair value of these securities amounted to \$779,969 at June 30, 2014, which represented 0.6% of the Fund's net assets.

(4) Restricted securities include securities that have not been registered under the Securities Act 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. In some cases, the issuer of restricted securities has agreed to register such securities for resale at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the securities. Investments in restricted securities are 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. As of June 30, 2014, the Fund was invested in the following restricted securities:

| Security | Acquisition Date | Shares | Cost | Price per Share | Value | % Net Assets |
|---|------------------|---------|-------------|-----------------|-----------|--------------|
| Amerivon Holdings LLC series A 4.00% cv. pfd. | April 1, 2010 | 655,793 | \$1,500,000 | \$1.1644 | \$763,605 | 0.55% |
| Amerivon Holdings LLC common equity units | April 1, 2010 | 272,728 | | 0.060 | 16,364 | 0.01% |

(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.

(6) Non-income producing security.

ADR = American Depositary Receipt.

Portfolio Ratings:

Where a security is rated by Standard & Poor's, such rating appears in parentheses next to such security (but without any applicable + or - that might apply).

Where a security is rated by Standard & Poor's and at least one other rating agency and the Fund believes the ratings to be functionally equivalent to one another, the Standard & Poor's rating appears in parentheses next to such security (but without any applicable + or - that might apply).

Where a security is rated by Standard & Poor's and at least one other rating agency and the Fund believes the ratings not to be functionally equivalent to one another, the Fund puts in parentheses next to such security the Standard & Poor's rating which it believes approximates the average of all such ratings (but without any applicable + or - that might apply).

Where a security is not rated by Standard & Poor's, but is rated by at least one other rating agency, the Fund puts in parentheses next to such security the Standard & Poor's rating which it believes approximates the average of all such ratings (but without any applicable + or - that might apply). NR is used whenever a rating is unavailable.

Summary of Portfolio Ratings *

| | |
|-------------|-----|
| AAA | 0% |
| AA | 3% |
| A | 27% |
| BBB | 35% |
| BB | 20% |
| B | 10% |
| CCC & below | 2% |
| Not Rated | 3% |

* Excludes common stocks 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, (the "Act") 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.

The Fund has adopted authoritative fair valuation accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

Level 1 - Quoted unadjusted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-driven valuation in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers, and those received from an independent pricing service.

Level 3 - Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Fund's own assumptions that market participants would use to price an asset or liability based on the best available information.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of the markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

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The following is a summary of the inputs used to value the investments of the Fund as of June 30, 2014:

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------------------|----------------------|------------------|----------------------|
| Investments in Securities: | | | | |
| Common Stock: | | | | |
| Consumer Discretionary | \$ 3,010,100 | \$ --- | \$ --- | \$ 3,010,100 |
| Consumer Staples | 3,224,950 | --- | --- | 3,224,950 |
| Energy | 3,937,781 | --- | --- | 3,937,781 |
| Financials | 6,167,524 | --- | --- | 6,167,524 |
| Health Care | 5,307,360 | --- | --- | 5,307,360 |
| Industrials | 1,314,000 | --- | --- | 1,314,000 |
| Information Technology | 5,099,720 | --- | --- | 5,099,720 |
| Telecommunication Services | 7,997,474 | --- | --- | 7,997,474 |
| Total Common Stock | 36,058,909 | --- | --- | 36,058,909 |
| Convertible Bonds and Notes | --- | 74,168,236 | --- | 74,168,236 |
| Convertible Preferred Stock: | | | | |
| Consumer Discretionary | --- | --- | 779,969 | 779,969 |
| Consumer Staples | --- | 2,274,440 | --- | 2,274,440 |
| Energy | --- | 2,582,375 | --- | 2,582,375 |
| Financials | --- | 7,078,580 | --- | 7,078,580 |
| Industrials | --- | 1,136,300 | --- | 1,136,300 |
| Total Convertible Preferred Stock | --- | 13,071,695 | 779,969 | 13,851,664 |
| Mandatory Convertible Securities | --- | 13,104,462 | --- | 13,104,462 |
| Total Investments | \$36,058,909 | \$100,344,393 | \$779,969 | \$137,183,271 |

Ellsworth Fund Ltd. - Selected Notes to Financial Statements - continued

Refer to the Fund's Portfolio of Investments for a detailed breakdown of Common Stock, Convertible Bonds and Notes, Convertible Preferred Stock and Mandatory Convertible Securities. Transfers between levels are recognized at June 30, 2014, the end of the reporting period. The Fund recognized no transfers to or from levels 1 and 2.

The following is a reconciliation of assets for which Level 3 inputs were used in determining value:

Investments
in

| Description | Securities |
|--|------------|
| Balance as of March 31, 2014 | \$780,024 |
| Proceeds from sales | --- |
| Gain/loss | --- |
| Change in unrealized appreciation (depreciation) | (55) |
| Net transfers in/out of Level 3 | --- |
| Balance as of June 30, 2014 | \$779,969 |

The following table presents additional information about valuation methodologies and inputs used for investments that are measured at fair value and categorized within Level 3 as of June 30, 2014:

| | Fair Value June 30, 2014 | Valuation Methodologies | Unobservable Input ⁽¹⁾ | Impact to Valuation from an Increase in Input ⁽²⁾ |
|---|-----------------------------|---|--------------------------------------|---|
| Amerivon Holdings LLC series A cv. pfd. and common equity units | \$779,969 | Market Comparables/ Sum of the Parts Valuation/ Dividend Analysis | Liquidity Discount | Decrease |

In determining certain of these inputs, management evaluates a variety of factors including economic conditions, (1) industry and market developments, market valuations of comparable companies and company specific developments.

This column represents the directional change in the fair value of the Level 3 investments that would result from an (2) increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect.

Note 2 - Securities Transactions and Related Investment Income - Securities transactions are accounted for on the trade date (the 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 \$0.002 per share for the nine months ended June 30, 2014. In addition, Federal tax regulations require the Fund to reclassify realized gains (losses) on contingent payment debt instruments to interest income. At June 30, 2014, there were unrealized losses of approximately \$0.004 per share on contingent payment debt instruments.

Note 3 - Federal Income Tax Cost - At June 30, 2014, unrealized appreciation (depreciation) of investment securities on a tax cost basis and federal tax cost were as follows:

| | |
|-----------------------------|---------------|
| Unrealized appreciation | \$ 23,696,023 |
| Unrealized depreciation | (1,852,003) |
| Net unrealized appreciation | 21,844,020 |

| | |
|--------------------------------------|---------------|
| Cost for federal income tax purposes | \$115,339,251 |
|--------------------------------------|---------------|

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.

Note 4 - New Accounting Pronouncement - In June 2013, the Financial Accounting Standards Board issued guidance that creates a two-tiered approach to assess whether an entity is an investment company. The guidance will also require an investment company to measure non-controlling ownership interest in other investment companies at fair value and will require additional disclosures relating to investment company status, any changes thereto and information about financial support provided or contractually required to be provided to any of the investment company's investees. The guidance is effective for financial statements with fiscal years beginning on or after December 15, 2013 and interim periods within those fiscal years. Management is evaluating the impact of this guidance on the Funds' financial statement disclosures.

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 Act (17 CFR 270.30a-3(c))) are effective as of August 28, 2014 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 Rules 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 registrant 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, 2014

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)

Date: August 28, 2014

By: /s/Gary I. Levine

Gary I. Levine

Chief Financial Officer
(Principal Financial Officer)

Date: August 28, 2014
