

ELLSWORTH FUND LTD
Form N-Q
February 27, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 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: December 31, 2008

ITEM 1. SCHEDULE OF INVESTMENTS.

Ellsworth Fund Ltd. Portfolio of Investments (unaudited)
December 31, 2008

	Principal Amount or Shares	Value (Note 1)
CONVERTIBLE BONDS AND NOTES - 65.8%		
Aerospace and Defense - 1.3%		
Alliant Techsystems Inc. 2.75%, due 2011 cv. sr. sub. notes (B1)	\$ 1,000,000	\$ 987,500
Computer Hardware - 5.0%		
Credit Suisse, New York Branch 12.90%, due 2008 equity-linked notes (NR) (exchangeable for Corning Inc. common stock)	2,000,000	1,118,200
EMC Corp. 1.75%, due 2011 cv. sr. notes (A-)	1,000,000	981,250
EMC Corp. 1.75%, due 2013 cv. sr. notes (A-)	1,000,000	940,000
Richardson Electronics, Ltd. 8%, due 2011 cv. sr. sub. notes (NR)	1,000,000	647,500
		3,686,950
Computer Software - 3.5%		
Blackboard Inc. 3.25%, due 2027 cv. sr. notes (B+)	2,500,000	1,993,750
GSI Commerce, Inc. 2.5%, due 2027 cv. sr. notes (NR)	1,000,000	448,750
Lehman Brothers Holdings Inc. 1%, due 2009 medium-term notes (NR) (performance linked to Microsoft Corp. common stock) (3)	1,500,000	105,000
		2,547,500
Consumer Goods - 2.2%		
Chattem, Inc. 1.625%, due 2014 cv. sr. notes (NR)	1,683,000	1,605,161
Energy - 10.2%		
Chesapeake Energy Corp. 2.75%, due 2035 contingent cv. sr. notes (Ba3) (1)	1,910,000	1,215,238
Covanta Holding Corp. 1%, due 2027 sr. cv. deb. (B1) (1)	1,500,000	1,372,500
McMoRan Exploration Co. 5.25%, due 10/06/11 cv. sr. notes (NR)	1,290,000	1,135,200
Nabors Industries, Inc. 0.94%, due 2011 sr. exchangeable notes (BBB+)	2,000,000	1,657,500
Oil States International, Inc. 2.375%, due 2025 contingent cv. sr. notes (NR)	1,325,000	1,025,219
SunPower Corp. 1.25%, due 2027 sr. cv. deb. (NR)	1,000,000	743,750
Trina Solar Ltd. 4%, due 2013 cv. sr. notes (NR) (exchangeable for ADS representing common shares)	1,000,000	332,500
		7,481,907
Financial Services - 2.0%		
Euronet Worldwide, Inc. 3.50%, due 2025 cv. deb. (B+) (1)	2,250,000	1,456,875
Foods - 3.3%		
Central European Distribution Corp. 3%, due 2013 cv. sr. notes (B-)	1,000,000	500,000
The Great Atlantic & Pacific Tea Company, Inc. 5.125%, due 2011		

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cv. sr. notes (Caa1)	500,000	258,125
The Great Atlantic & Pacific Tea Company, Inc. 6.75%, due 2012		
cv. sr. notes (Caa1)	1,500,000	828,750
Tyson Foods, Inc. 3.25%, due 2013 cv. sr. notes (BB)	1,000,000	811,250
		2,398,125

Ellsworth Fund Ltd. Portfolio of Investments
(continued)
December 31, 2008

	Principal Amount or Shares	Value (Note 1)
CONVERTIBLE BONDS AND NOTES - continued		
Healthcare - 8.2%		
China Medical Technologies, Inc. 4%, due 2013 cv. sr. sub. notes (NR) (exchangeable for ADS representing common stock)	\$ 1,500,000	\$ 733,125
Greatbatch, Inc. 2.25%, due 2013 cv. sub. deb. (NR)(1)	1,000,000	862,500
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	1,110,000
Millipore Corp. 3.75%, due 2026 cv. sr. notes (BB-) (1)	1,500,000	1,316,250
Omnicare, Inc. 3.25%, due 2035 cv. sr. deb. (B3) (1)	2,000,000	1,132,500
SonoSite Inc. 3.75%, due 2014 cv. sr. notes (NR)	1,250,000	895,313
		6,049,688
Insurance - 1.9%		
Prudential Financial, Inc. floating rate, due 2037 cv. sr. notes (A3)	1,500,000	1,427,250
Media and Entertainment - 0.6%		
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	437,500
Multi-Industry - 2.9%		
Diversa Corp. 5.5%, due 2027 cv. sr. notes (NR) (exchangeable for Verenum Corp. common stock)	750,000	180,000
LSB Industries, Inc. 5.5%, due 2012 cv. sr. sub. deb. (NR)	3,000,000	1,957,500
		2,137,500
Pharmaceuticals - 8.2%		
Mylan Inc. 3.75%, due 2015 cash cv. notes (B+) (Acquired 09/16/08 - 09/30/08; Cost \$1,476,980) (2)	1,500,000	1,365,000
Teva Pharmaceutical Finance Co. B.V. 1.75%, due 2026 cv. sr. deb. (Baa2) (exchangeable for Teva Pharmaceutical Industries Ltd. ADR)	1,500,000	1,655,625
Wyeth floating rate, due 2024 cv. sr. deb. (A3)	3,000,000	2,987,100
		6,007,725
Retail - 1.7%		
RadioShack Corp. 2.5%, due 2013 cv. sr. notes (BB)	1,500,000	1,254,375

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(Acquired 08/13/08 and 10/17/08; Cost \$1,436,250)

(2)

Semiconductors - 5.4%

Agere Systems Inc. 6.5%, due 2009 cv. sub. notes

(BB)

(exchangeable for LSI Corp.)

2,250,000

2,219,063

Intel Corp. 2.95%, due 2035 jr. sub. cv. deb. (A-) (1)

2,000,000

1,742,500

3,961,563

Telecommunications - 8.3%

ADC Telecommunications Inc. floating rate, due

2013

cv. sub. notes (NR)

1,600,000

728,000

Anixter International Inc. 1%, due 2013 sr. cv. notes

(BB-)

1,500,000

943,125

Equinix, Inc. 2.5%, due 2012 cv. sub. notes (B-)

2,200,000

1,647,250

General Cable Corp. 1%, due 2012 sr. cv. notes (B1)

1,500,000

943,125

NII Holdings, Inc. 2.75%, due 2025 cv. notes (NR)

1,500,000

1,306,875

SAVVIS, Inc. 3%, due 2012 cv. sr. notes (NR)

1,250,000

537,500

6,105,875

Transportation - 0.8%

ExpressJet Holdings, Inc. 4.25%, due 2023 cv. notes

(NR)

900,000

596,250

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Ellsworth Fund Ltd. Portfolio of Investments (continued)
December 31, 2008

	Principal Amount or Shares	Value (Note 1)
CONVERTIBLE BONDS AND NOTES - continued		
Travel and Leisure - 0.4%		
Morgans Hotel Group 2.375%, due 2014 sr. sub. cv notes (NR) (Acquired 10/11/07 - 10/12/07; Cost \$1,026,250) (2)	\$ 1,000,000	\$ 306,250
TOTAL CONVERTIBLE BONDS AND NOTES		48,447,994
CORPORATE BONDS AND NOTES - 1.1%		
Retail - 1.1%		
Amerivon Holdings LLC 4%, due 2010 units (NR) (Acquired 06/01/07; Cost \$1,500,000) (2,3)	1,500,000	825,000
CONVERTIBLE PREFERRED STOCKS - 8.0%		
Banking/Savings and Loan - 6.1%		
Bank of America Corp. 7.25% series L non-cum. perpetual cv. pfd. (A1)	2,000	1,300,000
Fifth Third Bancorp 8.5% perpetual cv. pfd., series G (A-)	10,000	810,800
New York Community Bancorp, Inc. 6% BONUSES units (Baa1)	39,178	1,213,734
Sovereign Capital Trust IV 4.375% PIERS (Baa3) (exchangeable for Sovereign Bancorp, Inc. common stock) (1)	14,000	265,160
Webster Financial Corp. 8.5% perpetual cv. pfd (BB+)	1,500	900,000
		4,489,694
Chemicals - 0.9%		
Celanese Corp. 4.25% cv. perpetual pfd. (NR)	40,000	674,000
Minerals and Mining - 1.0%		
Freeport-McMoRan Copper & Gold Inc. 5.5% cv. perpetual pfd. (BB)	1,200	745,800
TOTAL CONVERTIBLE PREFERRED STOCKS		5,909,494
MANDATORY CONVERTIBLE SECURITIES - 12.7% (5)		
Consumer Goods - 1.4%		
Avery Dennison Corp. 7.875%, due 11/15/10 mandatory cv. pfd. (BBB-)	30,000	1,027,500
Energy - 2.5%		
Bristow Group Inc. 5.5%, due 09/15/09 mandatory cv. pfd. (B)	20,000	731,800
Merrill Lynch & Co., Inc. 5.4%, due 09/27/10 PRIDES (A+) (linked to the performance of ConocoPhillips common stock)	2,000	1,127,810
		1,859,610
Foods - 0.1%		
Lehman Brothers Holdings Inc. 6%, due 10/12/10 PIES (NR)		

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(exchangeable for General Mills, Inc. common stock) (3)	50,000	87,500
Insurance - 0.2%		
XL Capital Ltd. 7%, due 02/15/09 equity security units due 02/15/09 (Baa1)	72,500	139,925

Ellsworth Fund Ltd. Portfolio of Investments
(continued)
December 31, 2008

	Principal Amount or Shares	Value (Note 1)
MANDATORY CONVERTIBLE SECURITIES - continued		
Media and Entertainment - 2.6%		
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	\$ 1,921,013
Minerals and Mining - 2.1%		
Freeport-McMoRan Copper & Gold Inc. 6.75%, due 05/01/10 mandatory cv. pfd. (BB)	10,000	474,500
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	836,100
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	260,000
		1,570,600
Multi-Industry - 2.9%		
NATIXIS Financial Products Inc. 7.5%, due 09/22/09 mandatory trigger exchangeable notes (NR) (exchangeable for General Electric Company common stock) (Acquired 08/19/08; Cost \$1,860,195) (2)	65,270	1,116,966
Pharmaceuticals - 2.3%		
Schering-Plough Corp. 6%, due 08/13/10 mandatory cv. pfd. (Baa3)	9,500	1,657,750
TOTAL MANDATORY CONVERTIBLE SECURITIES (5)		9,380,864
COMMON STOCKS - 3.2%		
Aerospace and Defense - 0.1%		
Applied Energetics, Inc.	308,785	98,811

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Pharmaceuticals - 1.7%		
Johnson & Johnson	20,500	1,226,515
Telecommunications - 1.4%		
AT&T	35,000	997,500
TOTAL COMMON STOCKS		2,322,826
Total Convertible Bonds and Notes - 65.8%		
	\$	48,447,994
Total Corporate Bonds and Notes - 1.1%		
		825,000
Total Convertible Preferred Stocks - 8.0%		
		5,909,494
Total Mandatory Convertible Securities - 12.7%		
		9,380,864
Total Common Stocks - 3.2%		
		2,322,826
Total Investments - 90.8%		
		66,886,178
Other assets and liabilities, net - 9.2%		
		6,740,620
Total Net Assets - 100.0%		
	\$	73,626,798

Ellsworth Fund Ltd. Portfolio of Investments (continued)
December 31, 2008

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

(2) Security not registered under the Securities Act of 1933, as amended (e.g., the security was purchased in a Rule 144A or a Regulation D transaction). 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 December 31, 2008 was \$8,336,104, which represented 11.3% 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 \$1,017,500 at December 31, 2008, which represented 1.4% 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 December 31, 2008, the Fund was invested in the following restricted securities:

Amerivon Holdings LLC 4% units containing a convertible promissory note and warrants due 2010, acquired June 1, 2007.

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

Investment Abbreviations:

ADR	American Depositary Receipts.
ADS	American Depositary Shares.
BONUSES	Bifurcated Option Note Unit Securities.
PIES	Premium Income Exchangeable Securities.
PIERS	Preferred Income Equity Redeemable Securities.
PRIDES	Preferred Redeemable Increased Dividend Equity Securities.

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

Summary of Portfolio Ratings
(Excludes equity securities and cash)

AAA	0%
AA	0%
A	18%
BBB	13%
BB	15%

B	21%
CCC	2%
CC	0%
C	0%
NR	31%

See accompanying notes.

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

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

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

Note 2. Securities Transactions and Related Investment Income - Security transactions are accounted for on the trade date (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 1 cent per share for the three months ended December 31, 2008. In addition, Federal tax regulations require the Fund to reclassify realized gains on contingent payment debt instruments to interest income. At December 31, 2008 there were unrealized losses of approximately 25 cents per share on contingent payment debt instruments.

At December 31, 2008 unrealized appreciation (depreciation) of investment securities on a tax basis were as follows:

Unrealized appreciation	\$ 393,732
Unrealized depreciation	(30,275,648)
Net unrealized depreciation	(29,881,916)
Cost for federal income tax purposes	\$ 96,768,092

ITEM 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures

(a) The Registrant's principal executive officer and principal financial officer, or persons performing similar functions, have concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "Act"), (17 CFR 270.30a-3(c))) are effective as of February 25, 2009 based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the Act (17 CFR 270.30a-3(b)) and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 17 CFR 240.15d-15(b)).

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

ITEM 3. EXHIBITS.

Separate certifications of the principal executive officer and the principal financial officer of the Registrant, 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: February 27, 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)

Date: February 27, 2009

By: /s/ Gary I. Levine
Gary I. Levine
Chief Financial Officer
(Principal Financial Officer)

Date: February 27, 2009