

BOULDER GROWTH & INCOME FUND
Form N-CSR
February 07, 2006

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 811-02328

Boulder Growth & Income Fund Inc.
(Exact name of registrant as specified in charter)

Fund Administrative Services
1680 38th Street, Suite 800
Boulder, CO
(Address of principal executive offices)

80301
(Zip code)

Fund Administrative Services
1680 38th Street, Suite 800
Boulder, CO 80301
(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 444-5483

Date of fiscal year end: November 30, 2005

Date of reporting period: November 30, 2005

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

Boulder Growth & Income Fund, Inc.

Annual Report

November 30, 2005

Dear Shareholder:

The Boulder Growth & Income Fund, Inc. had a total return on net asset value ("NAV") of 5.54% for the fiscal year ending November 30, 2005. Therefore, we achieved our first goal: don't lose what you already have. We fell shy of achieving another goal: beat the S&P 500 Index. The S&P 500 Index was up 8.44% for the same period, 2.90% better than the Fund. Although we'd like to beat the S&P 500 every year, we know, and we hope you know, that failing to beat the S&P 500 Index one year means very little in the long run. That's because the "long run" is precisely what we're investing for.

**Total Returns
For the Periods ending November 30, 2005**

Most Recent	BIF NAV with Dilution#	BIF NAV without Dilution	S&P 500 Index	Dow Jones Industrial Average	NASDAQ Composite
3 months	2.4%	2.4%	2.9%	3.8%	4.0%
6 months	4.1%	4.1%	5.9%	4.5%	8.4%
1 year	5.5%	5.5%	8.4%	6.1%	7.3%
3 years*	7.3%	14.2%	12.1%	9.1%	15.4%
Since 01/2002**	0.4%	5.4%	7.3%	4.6%	4.4%

The total returns for BIF include the effect of dilution from the 12/2002 rights offering, affecting the 3 Year and since 01/2002 returns.

* Annualized

** Annualized since January 31, 2002, the date the current Advisers became investment advisers to the Fund.

The Fund's largest holding, Berkshire Hathaway, contributed positively to the Fund this year, up 6.8%. Berkshire Hathaway makes up such a significant portion of our portfolio, that its performance really has an impact on the Fund's performance. Some of the bigger contributors to the Fund's performance this year were: First American Corporation, up 42.8% and Forest Laboratories, a new holding, up 20.4% since we bought it. The pharmaceuticals in the Fund were a drag on performance with Pfizer, Merck and Bristol Myers all down during the year. We sold the Fund's position in Merck. Sara Lee was also down during the year. The real estate investment trusts ("REITs") in the Fund as a group performed OK some did well, some not as well, but as a group OK. The total amount invested in REITs was about 26% at year-end (including both foreign and domestic REITs). This is down from 32% a year ago.

We added a few new names to the portfolio. The most significant were Anheuser-Busch (Budweiser) and Wal-Mart. These two companies are well known market-leading brands and are household names in the U.S. They were trading at reasonable levels when we bought them. Combined, the two stocks currently comprise almost 12% of the Fund's assets. Another new name is Caterpillar, which makes construction machinery such as bulldozers and earth-moving machines. All three of these companies dominate their respective markets in the U.S., and Wal-Mart and Caterpillar have a strong and growing international presence.

As mentioned above, we reduced the Fund's percentage in REITs. Now REITs are about 26% of the Fund's assets. We've bought several foreign REITs including British Land Company and Great Portland Estates both in England, Deutsche Wohnen in Germany, Unibail in France, and Hang Lung Properties in Hong Kong. We bought all of these REITs in their local sovereign currency. We've been finding some opportunities in other yield producing areas namely closed-end income funds trading at wide discounts.

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You'll also see that we purchased two other new foreign holdings. Lloyds TSB group is one of the larger banks in the United Kingdom. We bought the shares in the UK denominated British Pounds. The second is Midland Holdings, a Hong Kong based property broker. These shares trade on the Hong Kong exchange, and we bought them in Hong Kong Dollars. Lloyds has a dividend yield of almost 7%, and Midlands about 6%. We bought them not only for the yield, but hopefully for some long-term price appreciation. In addition, if the US dollar weakens against these currencies, as is the case with the foreign REITs mentioned above, we'll gain from that as well. Of course the opposite is true if the US dollar strengthens, we'll lose proportional to the strengthening. In all, foreign securities now make up about 11% of the Fund's total assets. And together with the UK and New Zealand government bonds that the Fund owns, total exposure to foreign currencies is about 17% of the Fund's assets. We believe that over time the US dollar will weaken against these foreign currencies.

In October, the Fund changed the way it leverages. The Fund paid down the \$20 million line of credit with CTC, a subsidiary of Bear Stearns, and simultaneously issued \$25 million par value worth of Auction Market Preferreds ("AMPs"). AMPs are a preferred stock with \$25,000 par value per share, which mostly institutional investors purchase. These shares pay interest based on a Dutch auction format and go to auction every 28 days. They are not callable, taking that risk out of the equation which we had with the line of credit. The current rate on the AMPs is 4.35%. The rate on the AMPs will obviously change every 4 weeks, but the rate will typically be less than what we were paying on the line of credit. The leverage amount increased slightly from \$20 million to \$25 million, and now represents 21.6% of the Funds total net assets.

There have been several world-wide tremors that have occurred in the past year literally! The most devastating was the tsunami in Malaysia a year ago, killing nearly 200,000 people. The next was hurricane Katrina which decimated New Orleans. Finally, the 7.6 magnitude earthquake that took place in Pakistan, killing tens of thousands of people, and leaving scores of people homeless. These natural disasters are harrowing and all have an obvious impact on life and property. Everyone's heart goes out to the victims of these natural disasters. These events provoke not only an emotional response, but economic as well. Insurance companies can see large claims, and industries that are domiciled in the affected areas could go under or at least see significant setbacks. These three events, following four years after 9/11, certainly impact the way investors view the market. The world seems to keep getting smaller and smaller. How does this affect investors? Look at what you're invested in. Will the company's wares still be around and be required long down the road, even if a catastrophe strikes? It's something we think about when we invest.

All in all, despite not beating the S&P 500 Index, the Fund did OK. We hope over time to do even better. We want to assure our shareholders that we understand our mission is to invest their money wisely, safely and fruitfully, and we strive to achieve this goal. After all, our money is in there right along side yours.

Sincerely,

Stewart R. Horejsi

January 10, 2006

Our website at www.boulderfunds.net is an excellent source for information on the Fund. If you've lost your annual report, or want to read an old one, it's available on the website. You will also find information about the Boulder Growth & Income Fund's sister fund the Boulder Total Return Fund.

Boulder Growth & Income Fund, Inc.**Exhibit 1****(Unaudited)***Change in Principal Value of Asset Classes 12/01/2004 to 11/30/2005*

		Common Stock Investments			
		REITS	Industrials	RICS	Total
Beginning Market Value	11/30/04	\$ 33,258,732	\$ 50,665,788	\$	\$ 83,924,520
Cost of Purchases	12/1/04 - 11/30/05	12,232,273	24,924,570	3,047,153	40,203,996
Proceeds from Sales	12/1/04 - 11/30/05	18,393,030	13,535,785	1,695,031	33,623,846
Net Purchases/(Sales)		(6,160,757)	11,388,785	1,352,122	\$ 6,580,150
Beginning Market Value Plus					
Net Purchases/(Sales)		27,097,975	62,054,573	1,352,122	\$ 90,504,670
Net Appreciation		2,680,713	2,725,298	(59,382)	5,346,629
Ending Market Value	11/30/05	29,778,688	64,779,871	1,292,740	\$ 95,851,299
Number of Issues Held	11/30/05	17	20	2	
Cash, US Treasuries, Foreign Treasuries, Bonds, Other Assets and Liabilities					\$ 19,822,182
AMPs Redemption Value					(25,000,000)
Total Net Assets applicable to Common Stock Shareholders					\$ 90,673,481

**Financial Data
(Unaudited)**

	Per Share of Common Stock	
	Net Asset Value	NYSE Closing Price
12/31/04	\$ 7.96	\$ 7.12
1/31/05	\$ 7.62	\$ 6.99
2/28/05	\$ 7.79	\$ 6.80
3/31/05	\$ 7.54	\$ 6.68
4/30/05	\$ 7.64	\$ 6.34
5/31/05	\$ 7.68	\$ 6.51

**Per Share of
Common Stock**

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	Net Asset Value	NYSE Closing Price
6/30/05	\$ 7.79	\$ 6.59
7/31/05	\$ 7.94	\$ 6.83
8/31/05	\$ 7.81	\$ 6.55
9/30/05	\$ 7.75	\$ 6.80
10/31/05	\$ 7.70	\$ 6.49
11/30/05	\$ 8.00	\$ 6.96

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Portfolio of Investments as of November 30, 2005 Boulder Growth & Income Fund, Inc.

Shares	Description	Value (Note 1)
LONG TERM INVESTMENTS-82.9%		
DOMESTIC COMMON STOCKS-70.5%		
Beverages-6.1%		
160,300	Anheuser-Busch Companies, Inc.	\$ 7,011,522
Construction Machinery-1.0%		
20,000	Caterpillar, Inc.	1,155,600
Diversified-25.2%		
310	Berkshire Hathaway Inc., Class A	27,710,900
500	Berkshire Hathaway Inc., Class B	1,477,500
		29,188,400
Financial Services-0.5%		
58,000	Doral Financial Corp.	587,540
Food-Misc/Diversified-0.9%		
60,000	Sara Lee Corporation	1,083,600
Insurance-4.5%		
38,500	Fidelity National Financial, Inc.	1,456,070
6,737	Fidelity National Title Group Inc., Class A	153,604
40,000	First American Corporation	1,882,000
55,750	Marsh & McLennan Companies, Inc.	1,722,118
		5,213,792
Manufacturing-2.8%		
50,500	Eaton Corporation	3,217,860
Pharmaceuticals-3.0%		
42,000	Bristol-Meyers Squibb Company	906,780
30,000	Forest Laboratories, Inc.	1,172,100
66,000	Pfizer, Inc.	1,399,200
		3,478,080
REITS-18.0%		
70,000	Archstone-Smith Realty Trust	2,926,700
44,000	AvalonBay Communities, Inc.	4,023,800
26,000	First Industrial Realty Trust, Inc.	1,056,900
44,500	Health Care Property Investors, Inc.	1,169,015
160,000	HRPT Properties Trust	1,750,400
19,000	Liberty Property Trust	806,740
30,000	Pan Pacific Retail Properties, Inc.	2,019,000
56,600	Prentiss Properties Trust	2,320,600
55,000	Regency Centers Corporation	3,192,750
42,000	Sun Communities, Inc.	1,285,200
5,000	Taubman Centers, Inc.	175,100
		20,726,205
Retail-5.6%		
133,000	Wal-Mart Stores, Inc.	6,458,480
RICS-1.1%		

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55,000	Flaherty & Crumrine Claymore Preferred Securities Income Fund	1,101,650
9,700	Flaherty & Crumrine Claymore Total Return Fund Inc.	191,090
		1,292,740
Savings & Loan Companies-1.8%		
51,000	Washington Mutual, Inc.	2,100,690
	Total Domestic Common Stocks (cost \$68,188,050)	81,514,509

See accompanying Notes to Financial Statements.

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Portfolio of Investments as of November 30, 2005 Boulder Growth & Income Fund, Inc.

Shares	Description	Value (Note 1)
FOREIGN COMMON STOCKS-12.4%		
France-1.0%		
9,500	Unibail, REIT	\$ 1,184,963
Germany-0.8%		
4,138	Deutsche Wohnen AG, REIT	942,037
Hong Kong-1.6%		
600,000	Hang Lung Properties, Ltd., REIT	901,389
2,052,000	Midland Holdings, Ltd.	945,994
		1,847,383
Netherlands-0.9%		
31,663	Heineken NV	971,303
New Zealand-3.3%		
4,150,135	Kiwi Income Property Trust, REIT	3,850,885
United Kingdom-4.8%		
25,000	Diageo PLC, Sponsored ADR	1,453,750
235,000	Lloyds TSB Group PLC	1,913,260
65,000	British Land Co. PLC, REIT	1,101,702
155,000	Great Portland Estates PLC, REIT	1,071,507
		5,540,219
	Total Foreign Common Stocks (cost \$13,653,009)	14,336,790
WARRANTS-0.0%**		
1,500	Ono Finance Certificate, Warrant, Expires 5/31/09	15
	Total Long Term Investments (cost \$81,841,059)	95,851,314
Par Value		
SHORT TERM INVESTMENTS-15.9%		
BANK DEPOSIT-1.5%		
\$	1,709,000	Investors Bank & Trust Money Market Deposit Account, 3.200% due 12/01/05 (cost \$1,709,000)