

BANCROFT FUND LTD  
Form N-Q  
September 24, 2010

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: 811-02151  
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Bancroft 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  
Bancroft 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: October 31, 2010

Date of reporting period: July 31, 2010

ITEM 1. SCHEDULE OF INVESTMENTS.

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***Bancroft Fund Ltd. Schedule of Investments***

***July 31, 2010***

*(Unaudited)*

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	Principal Amount	Value (Note 1)
		6,011,563
<b>Foods - 0.9%</b>		
Central European Distribution Corp. 3%, due 2013 cv. sr. notes (B-)	1,000,000	886,250
<b>Healthcare - 8.4%</b>		
Charles River Laboratories Int'l, Inc. 2.25%, due 2013 cv sr notes (BB+)	1,000,000	957,500
China Medical Technologies, Inc. 4%, due 2013 cv. sr. sub. notes (NR) (exchangeable for ADS representing common stock)	1,500,000	991,875
Greatbatch, Inc. 2.25%, due 2013 cv. sub. deb. (NR) (3)	1,500,000	1,385,625
Integra LifeSciences Holdings, 2.375%, due 2012 cv. sr. notes (NR)	1,067,000	1,010,983
Kinetic Concepts, Inc. 3.25%, due 2015 cv. sr. notes (BB-)	1,500,000	1,466,250
LifePoint Hospitals Inc. 3.5%, due 2014 cv. sub. notes (B)	1,000,000	950,000
SonoSite Inc. 3.75%, due 2014 cv. sr. notes (NR)	1,000,000	1,053,750
		7,815,983
<b>Metals and Mining - 2.6%</b>		
Jaguar Mining, Inc. 4.5%, due 2014 cv. sr. notes (NR)	1,000,000	942,500
Kaiser Aluminum Corp. 4.5%, due 2015 cash cv. sr. notes (NR) (2)	1,000,000	1,082,200
United States Steel Corp. 4%, due 2014 cv. sr. notes (Ba2)	250,000	390,938
		2,415,638
<b>Multi-Industry - 1.3%</b>		
LSB Industries, Inc. 5.5%, due 2012 cv. sr. sub. deb. (NR)	1,250,000	1,256,250
<b>Pharmaceuticals - 9.6%</b>		
Amylin Pharmaceutical, Inc. 3%, due 2014 cv. sr. notes (NR)	1,000,000	871,250
Cephalon, Inc. 2.5%, due 2014 cv. sr. sub. notes (NR)	1,000,000	1,073,750
Endo Pharmaceuticals Holdings, Inc. 1.75%, due 2015 cv. sr. sub. notes (NR)	1,000,000	1,018,750
Gilead Sciences, Inc. 0.5%, due 2011 cv. sr. notes (NR)	500,000	510,000
Gilead Sciences, Inc. 1%, due 2014 cv. sr. notes (NR) (2)	250,000	249,844
Gilead Sciences, Inc. 1.625%, due 2016 cv. sr. notes (NR) (2)	375,000	375,234
Millipore Corp. 3.75%, due 2026 cv. sr. notes (BB-) (3)	750,000	950,625
Mylan Laboratories, Inc. 1.25%, due 2012 cv. sr. notes (BB-) (convertible into Mylan Inc. common stock)	1,500,000	1,522,500
Onyx Pharmaceuticals, Inc. 4%, due 2016 cv. sr. notes (NR)	750,000	759,375
Teva Pharmaceutical Finance Co. B.V. 1.75%, due 2026 cv. sr. deb. (A3) (exchangeable for Teva Pharmaceutical Industries Ltd. ADR)	1,500,000	1,681,875
		9,013,203
<b>Real Estate - 3.0%</b>		
Annaly Capital Management, Inc. 4%, due 2015 cv. sr. notes (NR)	1,250,000	1,310,938
Corporate Office Properties, L.P. 4.25% due 2030 exch. sr. notes (NR) (2)	500,000	500,000
Lexington Realty Trust 6%, due 2030 cv. guaranteed notes (NR)	1,000,000	1,041,250
		2,852,188
<b>Semiconductors - 2.5%</b>		
Intel Corp. 2.95%, due 2035 jr. sub. cv. deb. (A-) (3)	1,000,000	996,250
Intel Corp. 3.25%, due 2039 jr. sub. cv. deb. (A-)	900,000	1,071,000
Xilinx, Inc. 2.625%, due 2017 cv. sr. notes (BBB-) (2)	250,000	275,938
		2,343,188
<b>Telecommunications - 14.1%</b>		
ADC Telecommunications Inc. 3.5%, due 2015 cv. sub. deb. (NR)	1,025,000	1,019,875

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Anixter International Inc. 1%, due 2013 cv. sr. notes (BB-)	1,250,000	1,218,750
CommScope, Inc. 3.25%, due 2015 cv. sr. sub. notes (B)	1,000,000	1,013,750
Comtech Telecommunications Corp. 3%, due 2029 cv. sr. notes (NR)	1,000,000	935,000
Equinix, Inc. 2.5%, due 2012 cv. sub. notes (B-)	1,100,000	1,148,125
Equinix, Inc. 4.75%, due 2016 cv. sub. notes (B-)	865,000	1,142,881
Finisar Corp. 5%, due 2029 cv. sr. notes (NR)	250,000	427,813

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	Principal Amount	Value (Note 1)
NII Holdings, Inc. 2.75%, due 2025 cv. notes (B-)	1,000,000	1,003,750
NII Holdings, Inc. 3.125%, due 2012 cv. notes (B-)	1,000,000	966,250
SAVVIS, Inc. 3%, due 2012 cv. sr. notes (NR)	2,000,000	1,987,500
SBA Communications Corp. 4%, due 2014 cv. sr. notes (NR)	1,000,000	1,347,500
SBA Communications Corp. 1.875%, due 2013 cv. sr. notes (NR)	500,000	525,625
Telecommunications Systems, Inc. 4.5%, due 2014 cv. sr. notes (NR)	500,000	412,500
		13,149,319
<b>Transportation - 1.7%</b>		
DryShips Inc. 5%, due 2014 cv. sr. notes (NR)	1,000,000	857,500
ExpressJet Holdings, Inc. 11.25%, due 2023 cv. notes (NR)	742,000	753,130
		1,610,630
<b>Travel and Leisure - 1.8%</b>		
MGM Mirage 4.25%, due 2015 cv. sr. notes (Caa1) (2)	1,000,000	895,000
Morgans Hotel Group 2.375%, due 2014 cv. sr. sub. notes (NR)	1,000,000	747,500
		1,642,500
<b>TOTAL CONVERTIBLE BONDS AND NOTES</b>		73,872,095
<b>CORPORATE BONDS AND NOTES - 0.4%</b>		
<b>Finance - 0.4%</b>		
Lehman Brothers Holdings Inc. 6%, due 2010 medium-term notes (NR) (4)	50,000	181,000
Lehman Brothers Holdings Inc. 1%, due 2009 medium-term notes (NR) (4)	1,500,000	217,500
		398,500
<b>TOTAL CORPORATE BONDS AND NOTES</b>		398,500
<b>CONVERTIBLE PREFERRED STOCKS - 9.5%</b>		
<b>Automotive - 0.7%</b>		
Ford Motor Company Capital Trust II 6.5% cum. cv. trust pfd. (B3)	15,000	698,100
<b>Banking/Savings and Loan - 4.1%</b>		
Bank of America Corp. 7.25% non-cum. perpetual cv. pfd., series L (Ba3)	1,000	920,000
New York Community Bancorp, Inc. 6% BONUSSES units (Baa2)	24,000	1,182,960
Wells Fargo Corp. 7.5% perpetual cv. pfd., series L (Ba1)	1,750	1,706,250
		3,809,210
<b>CONVERTIBLE PREFERRED STOCKS - continued</b>		
<b>Energy - 3.2%</b>		
ATP Oil & Gas Corp. 8% perpetual cv. pfd. (NR)	5,000	276,250
Chesapeake Energy Corp. 5% cum. cv. pfd. (B)	15,000	1,140,000
Chesapeake Energy Corp. 4.5% cum. cv. pfd. (B)	6,360	522,792
Whiting Petroleum Corp. 6.25% perpetual cv. pfd. (B)	5,000	1,070,000
		3,009,042
<b>Foods - 0.7%</b>		
Bunge Limited 4.875% cum. perpetual cv. pfd. (Ba1)	7,500	626,250

**Retail - 0.8%**

Amerivon Holdings LLC series A cv. pfd. units (NR)

(Acquired 04/01/10; Cost \$1,500,000) (2,5,6) 562,695 750,000

**TOTAL CONVERTIBLE PREFERRED STOCKS** 8,194,502

	Principal Amount	Value (Note 1)
<b>MANDATORY CONVERTIBLE SECURITIES - 7.7% (7)</b>		
<b>Energy - 2.6%</b>		
Apache Corp. 6%, due 8/1/13 mandatory cv. pfd., series D (NR)	10,500	571,725
Great Plains Energy, Inc. 12%, due 6/15/12 equity units (NR) (3)	20,000	1,225,000
Merrill Lynch & Co., Inc. 5.40%, due 9/27/10 PRIDES (A+) (linked to the performance of ConocoPhillips common stock)	1,000	629,600
		2,426,325
<b>Finance - 1.0%</b>		
Citigroup, Inc. T-DECS 7.5%, due 12/12/12 (NR)	7,500	911,400
<b>Foods - 1.5%</b>		
2009 Dole Food ACES Trust 7%, due 11/1/12 (NR) (exchangeable for Dole Food Company, Inc. common stock)	130,000	1,421,875
<b>Home Building - 0.4%</b>		