

BANCROFT FUND LTD
Form N-Q
September 29, 2011

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

Bancroft 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

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, 2011

Date of reporting period: July 31, 2011

ITEM 1. SCHEDULE OF INVESTMENTS.

Bancroft Fund Ltd. – Schedule of Investments (unaudited)

July 31, 2011

	Principal Amount	Value
Convertible Bonds and Notes - 69.3%		
Aerospace and Defense - 1.6%		
Alliant Techsystems, Inc., 2.75%, Due 9/15/11, (BB)	\$ 1,000,000	\$ 1,007,500
Kaman Corp., 3.25%, Due 11/15/17, (A)	500,000	620,625
		1,628,125
Automotive - 1.8%		
A123 Systems, Inc., 3.75%, Due 4/15/16, (BB)	1,000,000	877,500
Titan International, Inc., 5.625%, Due 1/15/17, (B)	375,000	1,001,719
		1,879,219
Computer Hardware - 3.8%		
EMC Corp., 1.75%, Due 12/1/13, (A)	1,900,000	3,175,375
NetApp, Inc., 1.75%, Due 6/1/13, (A)	500,000	776,250
		3,951,625
Computer Software - 6.3%		
Digital River, Inc., 2.00%, Due 11/1/30, (A)	1,000,000	922,500
Electronic Arts, Inc., 0.75%, Due 7/15/16, (AA)(1)	375,000	373,594
Microsoft Corp., Due 6/15/13, (AAA)(2)	500,000	519,375
Nuance Communications, Inc., 2.75%, Due 8/15/27, (BB)	2,000,000	2,512,500
RightNow Technologies, Inc., 2.50%, Due 11/15/30, (BBB)	250,000	325,000
Rovi Corp., 2.625%, Due 2/15/40, (BBB)	750,000	971,250
THQ, Inc., 5.00%, Due 8/15/14, (CCC)	500,000	444,375
WebMD Health Corp., 2.50%, Due 1/31/18, (BBB)	500,000	445,000
		6,513,594
Construction Material - 0.9%		
CEMEX, S.A.B. de C.V., 4.875%, Due 3/15/15, (NR)	1,000,000	891,250
Consumer Goods - 0.5%		
Iconix Brand Group, Inc., 2.50%, Due 6/1/16, (A)(1)	250,000	260,625
Regis Corp., 5.00%, Due 7/15/14, (BB)	250,000	300,312
		560,937
Data Processing - 0.5%		
CSG Systems International, Inc., 3.00%, Due 3/1/17, (BBB)	500,000	500,625
Energy - 6.6%		
Endeavour International Corp., 5.50%, Due 7/15/16, (BB)(1)	500,000	483,750
Goodrich Petroleum Corp., 5.00%, Due 10/1/29, (CCC)	1,000,000	997,500
JinkoSolar Holding Co. Ltd., 4.00%, Due 5/15/16, (NR)(1)	1,000,000	756,250

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Oil States International, Inc., 2.375%, Due 7/1/25, (BB)	400,000	1,020,000
Renesola Ltd., 4.125%, Due 3/15/18, (NR)(1)	500,000	341,250
SunPower Corp., 4.75%, Due 4/15/14, (NR)	500,000	521,250
SunPower Corp., 4.50%, Due 3/15/15, (NR)	1,250,000	1,346,875
Transocean, Inc., 1.50%, Due 12/15/37, (BBB)	500,000	493,125
Trina Solar Ltd., 4.00%, Due 7/15/13, (NR)	750,000	921,562
		6,881,562

Bancroft Fund Ltd. – Schedule of Investments (continued)

July 31, 2011

	Principal Amount	Value
Financial Services - 5.8%		
Annaly Capital Management, Inc., 4.00%, Due 2/15/15, (NR)	750,000	860,625
BGC Partners, Inc., 4.50%, Due 7/15/16, (BBB)(1)	250,000	249,375
Euronet Worldwide, Inc., 3.50%, Due 10/15/25, (B)(3)	1,000,000	1,005,000
Knight Capital Group, Inc., 3.50%, Due 3/15/15, (NR)	750,000	702,656
National Financial Partners, 4.00%, Due 6/15/17, (NR)	750,000	838,125
Old Republic International Corp., 8.00%, Due 5/15/12, (BBB)	1,250,000	1,332,812
Tower Group, Inc., 5.00%, Due 9/15/14, (NR)	1,000,000	1,077,500
		6,066,093
Foods - 0.5%		
Chiquita Brands International, 4.25%, Due 8/15/16, (B)	500,000	472,500
Healthcare - 6.1%		
Chemed Corp., 1.875%, Due 5/15/14, (AA)	890,000	912,250
China Medical Technologies, Inc., 4.00%, Due 8/15/13, (NR)	1,100,000	771,375
Insulet Corp., 3.75%, Due 6/15/16, (BBB)	500,000	509,375
Integra Lifesciences Holdings Co., 2.375%, Due 6/1/12, (BBB)(1)	1,067,000	1,069,668
Integra Lifesciences Holdings Co., 1.625%, Due 12/15/16, (BBB)(1)	250,000	248,125
Kinetic Concepts, Inc., 3.25%, Due 4/15/15, (BB)	1,000,000	1,432,500
NuVasive, Inc., 2.75%, Due 7/1/17, (BBB)	250,000	243,750
Sonosite, Inc., 3.75%, Due 7/15/14, (BBB)	1,000,000	1,107,500

		6,294,543
Machinery - 0.5%		
Chart Industries, Inc., 2.00%, Due 8/1/18, (B)	500,000	506,250
Metals and Mining - 3.4%		
Jaguar Mining, Inc., 4.50%, Due 11/1/14, (BB)	525,000	470,531
James River Coal Co., 3.125%, Due 3/15/18, (CCC)(1)	125,000	122,500
Kaiser Aluminum Corp., 4.50%, Due 4/1/15, (A)	1,000,000	1,316,300
Northgate Minerals Corp., 3.50%, Due 10/1/16, (NR)	500,000	550,625
RTI International Metals, Inc., 3.00%, Due 12/1/15, (BB)	475,000	553,375
United States Steel Corp., 4.00%, Due 5/15/14, (BB)	375,000	538,125
		3,551,456
Pharmaceuticals - 9.6%		
Akorn, Inc., 3.50%, Due 6/1/16, (AA)(1)	250,000	270,625
Amgen, Inc., 0.375%, Due 2/1/13, (A)	1,000,000	1,006,250
Amylin Pharmaceuticals, Inc., 3.00%, Due 6/15/14, (BB)	500,000	466,875
Cephalon, Inc., 2.50%, Due 5/1/14, (NR)	500,000	616,875
Cubist Pharmaceuticals, Inc., 2.25%, Due 6/15/13, (AA)	750,000	929,062
Endo Pharmaceuticals Holdings, 1.75%, Due 4/15/15, (BB)	750,000	1,032,188
Gilead Sciences, Inc., 1.00%, Due 5/1/14, (A)	750,000	843,750
Gilead Sciences, Inc., 1.625%, Due 5/1/16, (A)	750,000	883,125
Millipore Corp. (Merck KGA), 3.75%, Due 6/1/26, (BBB)(3,5)	750,000	902,775
Mylan, Inc., 1.25%, Due 3/15/12, (BB)	1,500,000	1,590,000
Onyx Pharmaceuticals, Inc., 4.00%, Due 8/15/16, (BBB)	750,000	867,188
Salix Pharmaceuticals, Inc., 2.75%, Due 5/15/15, (A)	500,000	568,125
		9,976,838

Bancroft Fund Ltd. – Schedule of Investments (continued)

July 31, 2011

	Principal Amount	Value
Real Estate - 1.7%		
Corporate Office Properties LP, 4.25%, Due 4/15/30, (NR)	500,000	496,875

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Lexington Realty Trust, 6.00%, Due 1/15/30, (NR)	1,000,000	1,306,250
		1,803,125
Semiconductors - 6.7%		
Intel Corp., 2.95%, Due 12/15/35, (A)(3)	1,000,000	1,032,500
Intel Corp., 3.25%, Due 8/1/39, (A)	1,250,000	1,487,500
Mentor Graphics Corp., 4.00%, Due 4/1/31, (BBB)(1)	250,000	241,875
Micron Technology, Inc., 1.875%, Due 6/1/14, (BB)	1,000,000	968,750
Micron Technology, Inc., 1.50%, Due 8/1/31, (A)(1)	125,000	121,719
Micron Technology, Inc., 1.875%, Due 8/1/31, (A)(1)	250,000	240,625
Novellus Systems, Inc., 2.625%, Due 5/15/41, (A)(1,3)	500,000	479,375
Photronics, Inc., 3.25%, Due 4/1/16, (A)(1)	250,000	265,938
Rudolph Technologies, Inc., 3.75%, Due 7/15/16, (A)(1)	500,000	481,250
Sandisk Corp., 1.50%, Due 8/15/17, (BB)	1,000,000	1,082,500
Xilinx, Inc., 2.625%, Due 6/15/17, (BBB)	500,000	618,750
		7,020,782
Telecommunications - 8.8%		
Alaska Communications Systems Group, Inc., 6.25%, Due 5/1/18, (BBB)(1)	250,000	227,500
Anixter International, Inc., 1.00%, Due 2/15/13, (B)	750,000	868,125
Comtech Telecommunications Co., 3.00%, Due 5/1/29, (A)	500,000	523,750
Equinix, Inc., 3.00%, Due 10/15/14, (B)	1,500,000	1,695,000
Equinix, Inc., 4.75%, Due 6/15/16, (B)	500,000	725,625
Finisar Corp., 5.00%, Due 10/15/29, (NR)	75,000	137,719
General Cable Corp., 4.50%, Due 11/15/29, (B)	500,000	657,500
Interdigital, Inc., 2.50%, Due 3/15/16, (AA)(1)	375,000	506,719
NII Holdings, Inc., 3.125%, Due 6/15/12, (B)	1,000,000	1,006,250
SBA Communications Corp., 4.00%, Due 10/1/14, (BBB)	500,000	703,125
SBA Communications Corp., 1.875%, Due 5/1/13, (BBB)	1,000,000	1,100,000
TeleCommunication Systems, Inc., 4.50%, Due 11/1/14, (BBB)	1,000,000	965,000
		9,116,313
Transportation - 2.1%		
Dryships, Inc., 5.00%, Due 12/1/14, (NR)	750,000	632,812
The Greenbrier Companies, Inc., 3.50%, Due 4/1/18, (CCC)	375,000	346,406
Hawaiian Holdings, Inc., 5.00%, Due 3/15/16, (BB)	500,000	465,625
Ultrapetrol (Bahamas) Limited, 7.25%, Due 1/15/17, (NR)(1)	750,000	725,625
		2,170,468
Travel & Leisure - 2.1%		
Home Inns & Motels Management, 2.00%, Due 12/15/15, (NR)	500,000	498,750
MGM Resorts International, 4.25%, Due 4/15/15, (CCC)	750,000	854,062
Morgans Hotel Group Co., 2.375%, Due 10/15/14, (BB)	1,000,000	873,750
		2,226,562

TOTAL CONVERTIBLE BONDS AND NOTES

72,011,867

Bancroft Fund Ltd. – Schedule of Investments (continued)***July 31, 2011***

	Principal Amount	Value
CORPORATE BONDS - 0.2%		
Financial Services - 0.2%		
Lehman Brothers Holdings, Inc., 1.00%, Due 3/23/09, (NR)(4)	1,500,000	247,500
TOTAL CORPORATE BONDS		247,500
CONVERTIBLE PREFERRED STOCKS - 15.0%		
	Shares	
Banking/Savings and Loan - 6.0%		
Bank of America Corporation, 7.25%, (BB)	1,600	1,559,568
Fifth Third Bancorp, 8.50%, (BB)	9,750	1,378,942
New York Community Capital Trust V, 6.00%, (BB)	24,000	1,141,920
Wells Fargo & Co., 7.50%, (A)	2,000	2,123,400
		6,203,830
Energy - 3.4%		
ATP Oil & Gas Corp., 8.00%, (NR)	10,000	901,275
Chesapeake Energy Corp., 5.00%, (B)	25,000	2,625,000
Whiting Petroleum Corp., 6.25%, (B)	131	36,578
		3,562,853
Financial Services - 0.7%		
Hartford Financial Services Group, Inc., 7.25%, (BB)	30,000	714,000
Foods - 0.7%		
Bunge Ltd., 4.875%, (BB)	7,500	765,000

Real Estate - 0.5%

Health Care REIT, Inc., 6.50%, (BB)	10,000	518,500
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Retail - 0.7%

Amerivon Holdings LLC, 4.00%, (NR)(1,5,6)	572,925	763,585
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Telecommunications - 0.9%

Crown Castle International Corp., 6.25%, (B)	16,000	956,000
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Tools - 1.1%

Stanley Black & Decker, Inc., 4.75%, (BBB)	10,000	1,127,900
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Utilities - 1.0%

PPL Corp., 9.50%, (NR)	18,500	1,037,665
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TOTAL CONVERTIBLE PREFERRED STOCKS		15,649,333
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Bancroft Fund Ltd. – Schedule of Investments (continued)***July 31, 2011***

	Shares	Value
MANDATORY CONVERTIBLE SECURITIES - 13.5% (7)		
Automotive - 1.8%		
General Motors Co., 4.75%, Due 12/1/13, (NR)	40,000	1,848,400
Data Processing - 0.3%		
Unisys Corp., 6.25%, Due 3/1/14, (B)	5,000	338,850
Energy - 3.6%		
Apache Corp., 6.00%, Due 8/1/13, (A)	25,000	1,628,500
Great Plains Energy, Inc., 12.00%, Due 6/15/12, (BBB)(3)	20,000	1,275,400
UBS AG Exchangeable Note (GTAT), 6.75%, Due 9/15/13, (AA)	20,000	830,200
		3,734,100

Financial Services - 2.4%

Citigroup, Inc., 7.50%, Due 12/15/12, (A)	14,000	1,570,100
MetLife, Inc., 5.00%, Due 10/8/14, (BBB)	12,500	974,250
		2,544,350

Foods - 0.8%

2009 Dole Food ACES Trust, 7.00%, Due 11/1/12, (NR)	60,000	791,250
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Home Building - 0.2%

Beazer Homes USA, Inc., 7.25%, Due 8/15/13, (CCC)	17,500	261,625
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Metals and Mining - 2.7%

AngloGold Ashanti Ltd., 6.00%, Due 9/15/13, (NR)	5,900	291,578
UBS AG Exchangeable Note (SWC), 9.375%, Due 6/15/12, (AA)	12,000	242,400
Vale Capital II (Vale S.A.), 6.75%, Due 6/15/12, (NR)	25,700	2,336,289
		2,870,267

Transportation - 0.7%

2010 Swift Mandatory Common Exchange Security Trust, 6.00%, Due 12/31/13, (NR)	60,000	687,600
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Utilities - 1.0%

Nextera Energy, Inc., 7.00%, Due 9/1/13, (NR)	20,000	1,016,400
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TOTAL MANDATORY CONVERTIBLE SECURITIES (7)

14,092,842

Convertible Bonds and Notes - 69.3%

\$ 72,011,867

Corporate Bonds - 0.2%

247,500

Convertible Preferred Stocks - 15.0%

15,649,333

Mandatory Convertible Securities - 13.5%

14,092,842

Total Investments - 98.0%

102,001,542

Other Assets, Net of Liabilities - 2.0%

2,030,504

Total Net Assets - 100.0%

\$ 104,032,046

July 31, 2011

(1) Security not registered under the Securities Act of 1933, as amended (the Securities Act) (i.e., 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 July 31, 2011 was \$9,307,472 which represented 8.9% of the Fund's net assets.

(2) Non-income producing security.

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

(4) Security is in default.

(5) 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 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 \$1,666,360 at July 31, 2011, which represented 1.6% of the Fund's net assets.

(6) 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 July 31, 2011, the Fund was invested in the following restricted security:

Amerivon Holdings LLC 4.00% preferred