

BANCROFT FUND LTD  
Form N-Q  
September 25, 2018

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 811-02151

Bancroft Fund Ltd.

(Exact name of registrant as specified in charter)

One Corporate Center

Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Jane D. O Keeffe

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: October 31

Date of reporting period: July 31, 2018

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct

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comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Schedule of Investments.**

The Schedule(s) of Investments is attached herewith.

**Bancroft Fund Ltd.****Third Quarter Report July 31, 2018****(Y)our Portfolio Management Team****To Our Shareholders,**

For the quarter ended July 31, 2018, the net asset value ( NAV ) total return of the Bancroft Fund was 5.3%, compared with total returns of 4.7% and 3.9% for the ICE Bank of America Merrill Lynch U.S. Convertibles Index and the Bloomberg Barclays Balanced U.S. Convertibles Index, respectively. The total return for the Fund's publicly traded shares was 4.8%. The Fund's NAV per share was \$25.49, while the price of the publicly traded shares closed at \$22.06 on the NYSE American. See below for additional performance information.

Enclosed is the schedule of investments as of July 31, 2018.

**Comparative Results****Average Annual Returns through July 31, 2018 (a)(b) (Unaudited)**

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (04/20/71)
<b>Bancroft Fund Ltd.</b>						
<b>NAV Total Return (c)</b>	5.30%	10.58%	7.89%	8.76%	7.60%	8.96%
<b>Investment Total Return (d)</b>	4.80	4.45	8.50	10.19	7.88	9.52
ICE Bank of America Merrill Lynch U.S. Convertibles Index	4.65	10.47	8.06	9.17	8.87	N/A(e)
Bloomberg Barclays Balanced U.S. Convertibles Index	3.89	3.36	3.80	4.22	6.32	N/A(f)
Standard & Poor's ( S&P ) 500 Index	6.87	16.24	12.52	13.12	10.67	10.46(g)

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. The Fund's use of leverage may magnify the volatility of net asset value changes versus funds that do not employ leverage. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. NAV returns would have been lower had Gabelli Funds, LLC (the Adviser ) not reimbursed certain expenses of the Fund. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The ICE Bank of America Merrill Lynch U.S. Convertibles Index is a market value weighted index of all dollar denominated convertible securities that are exchangeable into U.S. equities that have a market value of more than \$50 million. The Bloomberg Barclays Balanced U.S. Convertibles Index is a market value weighted index that tracks the performance of publicly placed, dollar denominated convertible securities that are between 40% and 80% sensitive to movements in their underlying common stocks. The S&P 500 Index is an unmanaged indicator of stock market performance commonly used to represent the U.S. equity market. Dividends and interest income

are considered reinvested. You cannot invest directly in an index.

- (b) The Fund's fiscal year ends on October 31.
- (c) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date for the period beginning November 2015, and are net of expenses. For the period December 2008 through October 2015, distributions were reinvested on the payable date using market prices. For the period May 2006 through November 2008, distributions were reinvested on payable date using NAV. Total returns and average annual returns were adjusted for the 1987 tender offering (no adjustments were made for the 1982 and 2007 tender offers nor for the 1987 or 2003 rights offerings). Since inception return is based on an initial NAV of \$22.92.
- (d) Total returns and average annual returns reflect changes in closing market values on the NYSE American and reinvestment of distributions. Total returns and average annual returns were adjusted for the 1987 tender offering (no adjustments were made for the 1982 and 2007 tender offers nor for the 1987 or 2003 rights offerings). Since inception return is based on an initial offering price of \$25.00.
- (e) The ICE Bank of America Merrill Lynch U.S. Convertibles Index inception date is December 31, 1994.
- (f) The Bloomberg Barclays Balanced U.S. Convertibles Index inception date is January 1, 2003.
- (g) From April 30, 1971, the date closest to the Fund's inception for which data are available.

**Bancroft Fund Ltd.****Schedule of Investments July 31, 2018 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>CONVERTIBLE CORPORATE BONDS 75.9%</b>	
	<b>Aerospace 1.7%</b>	
\$ 2,000,000	Aerojet Rocketdyne Holdings Inc., 2.250%, 12/15/23	\$ 2,846,180
	<b>Automotive 0.6%</b>	
1,000,000	Tesla Inc., 1.250%, 03/01/21	1,022,251
	<b>Business Services 4.6%</b>	
1,527,000	Bristow Group Inc., 4.500%, 06/01/23	1,728,816
2,084,000	Macquarie Infrastructure Corp., 2.000%, 10/01/23	1,853,024
1,000,000	Q2 Holdings Inc., 0.750%, 02/15/23(a)	1,166,806
1,040,000	RingCentral Inc., Zero Coupon, 03/15/23(a)	1,132,435
1,500,000	Square Inc., 0.500%, 05/15/23(a)	1,645,659
		7,526,740
	<b>Cable and Satellite 1.7%</b>	
2,975,000	DISH Network Corp., 3.375%, 08/15/26	2,710,091
	<b>Communications Equipment 4.2%</b>	
1,500,000	Harmonic Inc., 4.000%, 12/01/20	1,586,211
2,000,000	InterDigital, Inc., 1.500%, 03/01/20	2,421,000
2,459,000	Lumentum Holdings Inc., 0.250%, 03/15/24	2,762,950
		6,770,161

**Computer Software and Services 16.9%**

1,972,000	Apptio Inc., 0.875%, 04/01/23(a)	2,105,907
1,000,000	Coupa Software Inc., 0.375%, 01/15/23(a)	1,475,500
2,500,000	CSG Systems International Inc., 4.250%, 03/15/36	2,652,800
194,000	GDS Holdings Ltd., 2.000%, 06/01/25(a)	146,177
1,987,000	IAC FinanceCo. Inc., 0.875%, 10/01/22(a)	2,247,837
450,000	Maxwell Technologies Inc., 5.500%, 09/15/22(a)(b)	448,092
1,250,000	MercadoLibre Inc., 2.250%, 07/01/19	3,409,939
195,000	MINDBODY Inc., 0.375%, 06/01/23(a)	192,356
1,776,000	New Relic Inc., 0.500%, 05/01/23(a)	1,930,610
<b>Principal Amount</b>		<b>Market Value</b>
\$ 1,548,000	Nice Systems Inc., 1.250%, 01/15/24	\$ 2,133,769
1,701,000	Nutanix Inc., Zero Coupon, 01/15/23(a)	2,034,110
800,000	Okta Inc., 0.250%, 02/15/23(a)	975,706
1,600,000	Proofpoint Inc., 0.750%, 06/15/20	2,309,742
1,500,000	PROS Holdings Inc., 2.000%, 06/01/47	1,484,250
973,000	Pure Storage Inc., 0.125%, 04/15/23(a)	1,029,737
1,500,000	The Priceline Group Inc., 0.350%, 06/15/20	2,326,393
514,000	Vocera Communications Inc., 1.500%, 05/15/23(a)	573,506
		27,476,431

**Consumer Products 0.9%**

1,313,000	GoPro Inc., 3.500%, 04/15/22	1,154,789
366,000	JAKKS Pacific Inc., 4.875%, 06/01/20(a)	307,793
		1,462,582

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**Consumer Services 2.4%**

2,000,000	Extra Space Storage LP, 3.125%, 10/01/35(a)	2,213,510
1,600,000	Quotient Technology Inc., 1.750%, 12/01/22(a)	1,729,592
		3,943,102

**Diversified Industrial 3.6%**

750,000	Chart Industries Inc., 1.000%, 11/15/24(a)	1,073,477
1,349,000	Kaman Corp., 3.250%, 05/01/24	1,576,552
1,457,000	Team Inc., 5.000%, 08/01/23	1,815,232
1,000,000	TimkenSteel Corp., 6.000%, 06/01/21	1,369,980
		5,835,241

**Energy and Utilities 4.6%**

2,000,000	Cheniere Energy Inc., 4.250%, 03/15/45	1,574,016
1,500,000	Chesapeake Energy Corp., 5.500%, 09/15/26	1,495,243
750,000	Clean Energy Fuels Corp., 5.250%, 10/01/18(a)	752,929
259,000	Goodrich Petroleum Escrow Bond, Zero Coupon, 12/31/21 (a)(b)(c)(d)	0

See accompanying notes to schedule of investments.



**Bancroft Fund Ltd.****Schedule of Investments (Continued) July 31, 2018 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>Convertible Corporate Bonds (Continued)</b>	
	<b>Energy and Utilities (Continued)</b>	
\$ 917,000	Newpark Resources Inc., 4.000%, 12/01/21(a)	\$ 1,279,073
3,000,000	SunPower Corp., 4.000%, 01/15/23	2,416,737
		7,517,998
	<b>Entertainment 1.6%</b>	
1,250,000	Gannett Co. Inc., 4.750%, 04/15/24(a)	1,346,875
1,625,000	Global Eagle Entertainment Inc., 2.750%, 02/15/35	1,251,250
		2,598,125
	<b>Financial Services 4.1%</b>	
766,000	Encore Capital Europe Finance Ltd., 4.500%, 09/01/23	783,235
1,250,000	Encore Capital Group Inc., 3.000%, 07/01/20	1,251,179
2,000,000	GSV Capital Corp., 4.750%, 03/28/23	1,927,600
1,000,000	Heritage Insurance Holdings Inc., 5.875%, 08/01/37(a)	1,287,140
1,116,000	LendingTree Inc., 0.625%, 06/01/22	1,453,819
		6,702,973
	<b>Health Care 13.0%</b>	
1,559,000	Accelerate Diagnostics Inc., 2.500%, 03/15/23(a)	1,475,282
875,000	ANI Pharmaceuticals Inc., 3.000%, 12/01/19	1,000,745

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550,000	Array BioPharma Inc., 2.625%, 12/01/24(a)	692,089
1,550,000	BioMarin Pharmaceutical Inc., 0.599%, 08/01/24	1,639,463
500,000	Dermira Inc., 3.000%, 05/15/22	417,127
950,000	Exact Sciences Corp., 1.000%, 01/15/25	988,822
750,000	Horizon Pharma Investment Ltd., 2.500%, 03/15/22	732,123
1,066,000	Insulet Corp., 1.375%, 11/15/24(a)	1,162,749
1,000,000	Intercept Pharmaceuticals Inc., 3.250%, 07/01/23	886,834
500,000	Invacare Corp., 4.500%, 06/01/22	643,680
250,000	K2M Group Holdings Inc., 3.000%, 06/30/25(a)	254,807
1,384,000	Neurocrine Biosciences Inc., 2.250%, 05/15/24	2,031,717
<b>Principal Amount</b>		<b>Market Value</b>
\$ 1,000,000	NuVasive Inc., 2.250%, 03/15/21	\$ 1,137,333
1,500,000	Pacira Pharmaceuticals Inc., 2.375%, 04/01/22	1,487,427
1,000,000	Paratek Pharmaceuticals Inc., 4.750%, 05/01/24(a)	958,235
1,000,000	Supernus Pharmaceuticals Inc., 0.625%, 04/01/23(a)	1,130,005
1,200,000	Teladoc Inc., 3.000%, 12/15/22	1,840,829
1,000,000	Teligent Inc., 3.750%, 12/15/19	957,052
1,000,000	Theravance Biopharma Inc., 3.250%, 11/01/23	1,005,320
1,000,000	Vitamin Shoppe Inc., 2.250%, 12/01/20	785,000
		21,226,639
	<b>Metals and Mining 0.7%</b>	
500,000	Arconic Inc., 1.625%, 10/15/19	516,139
600,000	Royal Gold Inc., 2.875%, 06/15/19	619,718
		1,135,857

<b>Semiconductors 11.1%</b>		
750,000	Advanced Micro Devices Inc., 2.125%, 09/01/26	1,789,422
1,500,000	Cypress Semiconductor Corp., 4.500%, 01/15/22	2,171,340
2,500,000	Inphi Corp., 1.125%, 12/01/20	2,635,577
2,000,000	Knowles Corp., 3.250%, 11/01/21	2,337,744
1,000,000	Microchip Technology Inc., 1.625%, 02/15/27	1,195,311
1,500,000	NXP Semiconductors NV, 1.000%, 12/01/19	1,664,073
2,386,000	Rambus Inc., 1.375%, 02/01/23(a)	2,232,010
1,309,000	Silicon Laboratories Inc., 1.375%, 03/01/22	1,540,039
1,750,000	Teradyne Inc., 1.250%, 12/15/23	2,549,034
		18,114,550
<b>Telecommunications 2.1%</b>		
1,000,000	Dycom Industries Inc., 0.750%, 09/15/21	1,116,635
2,164,000	Twilio Inc., 0.250%, 06/01/23(a)	2,279,798
		3,396,433

See accompanying notes to schedule of investments.

**Bancroft Fund Ltd.****Schedule of Investments (Continued) July 31, 2018 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>CONVERTIBLE CORPORATE BONDS (Continued)</b>	
	<b>Transportation 2.1%</b>	
\$ 1,000,000	Air Transport Services Group Inc., 1.125%, 10/15/24(a)	\$ 977,390
2,000,000	Atlas Air Worldwide Holdings Inc., 2.250%, 06/01/22	2,361,250
		3,338,640
	<b>TOTAL CONVERTIBLE CORPORATE BONDS</b>	123,623,994
	<b>Shares</b>	
	<b>CONVERTIBLE PREFERRED STOCKS 6.6%</b>	
	<b>Agriculture 0.8%</b>	
12,500	Bunge Ltd., 4.875%	1,360,823
	<b>Business Services 0.3%</b>	
711,039	Amerivon Holdings LLC, 4.000% (c)	433,734
272,728	Amerivon Holdings LLC, common equity units (c)	16,364
		450,098
	<b>Financial Services 3.7%</b>	
2,000	Bank of America Corp., 7.250%	2,544,480
40,000	Landmark Infrastructure Partners LP, 7.000%	922,800
2,000	Wells Fargo & Co., 7.500%	2,538,000
		6,005,280
	<b>Food and Beverage 0.8%</b>	
8,000	Post Holdings Inc., 2.500%	1,292,772
	<b>Real Estate Investment Trusts 1.0%</b>	
26,500	Welltower Inc., 6.500%	1,573,835
	<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>	10,682,808



<b>Health Care 1.1%</b>		
27,747	Becton Dickinson and Co., 6.125%, 05/01/20	1,761,102
<b>Real Estate Investment Trusts 1.6%</b>		
2,460	Crown Castle International Corp., 6.875%, 08/01/20	2,624,869
<b>TOTAL MANDATORY CONVERTIBLE SECURITIES</b>		27,469,846
<b>COMMON STOCKS 0.4%</b>		
<b>Energy and Utilities 0.4%</b>		
92	Goodrich Petroleum Corp.	1,160
17,842	Western Gas Equity Partners LP	656,050
		657,210
<b>TOTAL COMMON STOCKS</b>		657,210
<b>WARRANTS 0.0%</b>		
<b>Energy and Utilities 0.0%</b>		
784	Goodrich Petroleum Corp., expire 10/12/26 (c)	0

See accompanying notes to schedule of investments.

**Bancroft Fund Ltd.****Schedule of Investments (Continued) July 31, 2018 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>U.S. GOVERNMENT OBLIGATIONS 0.2%</b>	
\$ 366,000	U.S. Treasury Bills, 1.860% to 1.871% , 08/09/18 to 08/23/18	\$ 365,721
	<b>TOTAL INVESTMENTS 100.0%</b> (Cost \$145,210,089)	<b>\$ 162,799,579</b>

- (a) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At July 31, 2018, the market value of Rule 144A securities amounted to \$42,461,654 or 26.08% of total investments.
- (b) At July 31, 2018, the Fund held investments in restricted and illiquid securities amounting to \$448,092 or 0.28% of total investments which were valued under methods approved by the Board of Trustees as follows:

<b>Acquisition Principal Amount</b>	<b>Issuer</b>	<b>Acquisition Date</b>	<b>Acquisition Cost</b>	<b>07/31/18 Carrying Value Per Bond</b>
\$259,000	Goodrich Petroleum Escrow Bond, Zero Coupon, 12/31/21	12/14/16	\$ 0	\$ 0.00
450,000	Maxwell Technologies Inc., 5.500%, 09/15/22	09/21/17	450,000	\$ 99.58

- (c) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.
- (d) Security in default.
- (e) 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.  
Non-income producing security.  
Represents annualized yields at dates of purchase.

See accompanying notes to schedule of investments.



**Bancroft Fund Ltd.**

**Notes to Schedule of Investments (Unaudited)**

As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles ( GAAP ) that may require the use of management estimates and assumptions in the preparation of its schedule of investments. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its schedule of investments.

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the Board ) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the Adviser ).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

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Level 1 quoted prices in active markets for identical securities;

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and

Level 3 significant unobservable inputs (including the Board's determinations as to the fair value of investments).

**Bancroft Fund Ltd.****Notes to Schedule of Investments (Unaudited) (Continued)**

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of July 31, 2018 is as follows:

	Valuation Inputs			Total Market Value at 7/31/18
	Level 1 Quoted Prices	Level 2 Other Observable Inputs	Level 3 Significant Unobservable Inputs	
<b>INVESTMENTS IN SECURITIES:</b>				
<b>ASSETS (Market Value):</b>				
Convertible Corporate Bonds				
Energy and Utilities		\$ 7,517,998	\$ 0	\$ 7,517,998
Other Industries (a)		116,105,996		116,105,996
Total Convertible Corporate Bonds		123,623,994	0	123,623,994
Convertible Preferred Stocks:				
Business Services			450,098	450,098
Food and Beverage		1,292,772		1,292,772
Other Industries (a)	\$8,939,938			8,939,938
Total Convertible Preferred Stocks	8,939,938	1,292,772	450,098	10,682,808
Mandatory Convertible Securities:				
Computer Software and Services		1,193,100		1,193,100
Financial Services	5,312,950	5,430,712		10,743,662
Other Industries (a)	15,533,084			15,533,084
Total Mandatory Convertible Securities	20,846,034	6,623,812		27,469,846
Common Stocks (a)	657,210			657,210
Warrants (a)			0	0

U.S. Government Obligations		365,721		365,721
<b>TOTAL INVESTMENTS IN SECURITIES</b>	\$30,443,182	\$131,906,299	\$450,098	\$162,799,579

(a) Please refer to the Schedule of Investments ( SOI ) for the industry classifications of these portfolio holdings.

**Additional Information to Evaluate Qualitative Information.**

**General.** The Fund uses recognized industry pricing services approved by the Board and unaffiliated with the Adviser to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

**Fair Valuation.** Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not

**Bancroft Fund Ltd.**

**Notes to Schedule of Investments (Unaudited) (Continued)**

apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Foreign Currency Translations.** The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

**Foreign Securities.** The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

**Foreign Taxes.** The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

**Restricted Securities.** The Fund may invest up to 15% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. For the restricted securities held as of July 31, 2018, please refer to the Schedule of Investments.

**Tax Information.** The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

**Bancroft Fund Ltd.**

**One Corporate Center**

**Rye, NY 10580-1422**

**Portfolio Management Team Biographies**

**Thomas H. Dinsmore, CFA**, joined Gabelli Funds, LLC in 2015. He currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Previously Mr. Dinsmore was Chairman and CEO of Dinsmore Capital Management; CEO and Portfolio Manager of Bancroft Fund Ltd; and CEO, Portfolio Manager, and co-founder of Ellsworth Growth and Income Fund Ltd. He received a BS in Economics from the Wharton School of Business and an MA degree in Economics from Fairleigh Dickinson University.

**Jane D. O Keeffe** joined Gabelli Funds, LLC in 2015. She currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Previously Ms. O Keeffe was President and Director of Dinsmore Capital Management where she was also a Portfolio Manager of Bancroft Fund Ltd. and Ellsworth Growth and Income Fund Ltd. Prior to joining Dinsmore Capital Management, Ms. O Keeffe held positions of increasing responsibilities at IDS Progressive Fund, Soros Fund Management Company, Simms Capital Management, and Fiduciary Trust International. She earned a BA from the University of New Hampshire and attended the Lubin Graduate School of Business at Pace University.

**James A. Dinsmore, CFA**, joined Gabelli Funds, LLC in 2015. He currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Mr. Dinsmore received a BA in Economics from Cornell University and an MBA degree from Rutgers University.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "Convertible Securities Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "Convertible Securities Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

The NASDAQ symbol for the Net Asset Value is XBCVX.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may from time to time purchase its common shares in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

**BANCROFT FUND LTD.**

One Corporate Center

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**TRUSTEES**

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Chairman and

Chief Executive Officer,

GAMCO Investors, Inc.

Executive Chairman,

Associated Capital Group Inc.

Kinchen C. Bizzell

Managing Director,

CAVU Securities

Elizabeth C. Bogan

Anthonie C. van Ekris

Chairman,

BALMAC International Inc.

**OFFICERS**

Jane D. O Keefe

President

John C. Ball

Treasurer

Agnes Mullady



Senior Lecturer, Economics

Vice President

Princeton University

Andrea R. Mango

James P. Conn

Secretary & Vice President

Former Managing Director &

Chief Investment Officer,

Richard J. Walz

Financial Security Assurance

Chief Compliance Officer

Holdings Ltd.

Laurissa M. Martire

Frank J. Fahrenkopf, Jr.

Vice President & Ombudsman

Former President &

Chief Executive Officer,

**INVESTMENT ADVISER**

American Gaming Association

Gabelli Funds, LLC

Daniel D. Harding

Managing General Director,

**CUSTODIAN**

Global Equity Income Fund

State Street Bank and Trust

Michael J. Melarkey

Company

Of Counsel,

McDonald Carano Wilson LLP

**COUNSEL**

Kuni Nakamura

Skadden, Arps, Slate, Meagher &

President,

Flom LLP

Advanced Polymer, Inc.

**TRANSFER AGENT AND**

Jane D. O Keeffe

REGISTRAR

Portfolio Manager,

Gabelli Funds, LLC

American Stock Transfer and

Trust Company

Nicolas W.Platt

Former Managing Director,

FTI Consulting Inc.

BCV Q3/2018

**Item 2. Controls and Procedures.**

- (a) The registrant's principal executive and principal financial officers, 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 "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 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 240.15d-15(b)).
  
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

**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.

(Registrant) Bancroft Fund Ltd.

By (Signature and Title)\* /s/ Jane D. O Keeffe  
Jane D. O Keeffe, Principal Executive Officer

Date 9/24/2018

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 (Signature and Title)\* /s/ Jane D. O Keeffe  
Jane D. O Keeffe, Principal Executive Officer

Date 9/24/2018

By (Signature and Title)\* /s/ John C. Ball  
John C. Ball, Principal Financial Officer and Treasurer

Date 9/24/2018

\* Print the name and title of each signing officer under his or her signature.