

Bancroft Fund Ltd.

Shareholder Commentary – December 31, 2018

(Y)our Portfolio Management Team



Thomas Dinsmore, CFA Jane O'Keeffe James Dinsmore, CFA

To Our Shareholders,

For the quarter ended December 31, 2018, the net asset value (“NAV”) total return of the Bancroft Fund was (13.3)%, compared with total returns of (9.3)% and (7.2)% 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 (11.5)% The Fund’s NAV per share was \$21.19, while the price of the publicly traded shares closed at \$18.63 on the NYSE American.

Comparative Results

Average Annual Returns through December 31, 2018 (a)(b)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception (4/20/71)</u>
Bancroft Fund Ltd.						
NAV Total Return (c)	(13.33)%	(2.91)%	6.26%	5.28%	10.79%	8.64%
Investment Total Return (d)	(11.47)	(3.62)	9.04	7.35	11.26	9.26
ICE Bank of America Merrill Lynch U.S. Convertibles Index	(9.31)	0.15	7.93	5.95	12.21	N/A (e)
Bloomberg Barclays Balanced U.S. Convertibles Index	(7.16)	(0.81)	4.20	2.48	9.15	N/A (f)
Standard & Poor’s (S&P) 500 Index	(13.52)	(4.38)	9.26	8.49	13.12	10.12 (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 for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. NAV total 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. 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 the 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 is available.

Investment Objective

The Bancroft Fund is a closed-end, diversified management investment company whose investment objective is to provide income, with potential for capital appreciation. The Fund considers these objectives to be relatively equal, over the long term, due to the nature of the securities in which the Fund invests. Under normal market conditions, the Fund invests at least 65% of its net assets in convertible securities.

Our mandate is to preserve and enhance our shareholders' wealth through a conservative and disciplined approach to investing primarily in convertible securities. Our goal is to generate profitable returns in strong markets and protect principal in weak markets by taking advantage of the unique characteristics of convertible securities.

Convertible Securities are "Hybrids"

It is important to understand our stock selection discipline, because price movement in the underlying equity will generally have the greatest impact on convertible securities pricing. The convertible securities market consists of bonds, debentures, corporate notes, preferred stocks, and warrants or other similar securities, which may be converted into or exchanged for a prescribed amount of common stock or other equity security of the same or a different issuer within a particular period of time, at a specified price or formula.

Converts are "hybrid" securities that combine the capital appreciation potential of equities with the higher yield of fixed income instruments. Our strategy incorporates the purchase of convertible securities that are trading at a premium (above parity) with the common stock, but which generally provide a higher yield, and, over time, capital appreciation.

Commentary on Convertibles

Volatility returned to the markets in the fourth quarter of 2018. Stocks swooned and rocketed in December after continued tightening of monetary policy by the Federal Reserve, political posturing during the mid-term elections, increasing global trade tensions, and some growth estimate revisions tempered outlooks for 2019. We have long held that convertibles offer a way of investing in equities with reduced volatility, and that proved to be true when markets were most volatile this quarter, helping us to outperform the S&P 500 Index and most other markets for the quarter and the year. Convertibles behaved as expected, with dampened volatility through their structures and maturities. We are optimistic for the opportunity available to us in convertibles going forward. Strong issuance in 2018 kept the market healthy, and now there are many opportunities to invest at more attractive risk and reward profiles. We expect issuance to continue in 2019 as the convertible market remains one of the more attractive places for companies to raise capital. We maintain a disciplined approach, investing only in companies that we feel can help us achieve our long term goal of total returns through a mix of income and capital appreciation.

Bloomberg Barclays U.S. Convertible Composite declined 9.58% during the quarter and 2.03% for the year. New issuance continued in the fourth quarter, with 18 new issues brought to market, raising \$5.4B in the U.S. There were 133 issues in the U.S. for 2018, raising \$52.8B, the strongest since 2014. This kept pace with a sizeable maturity and redemption calendar in 2018. The U.S. convertible market finished the year with \$195.32B in market capitalization and a total of 463 securities. Bloomberg Barclays U.S. Convert Composite has an average current yield of 2.8%, a premium to conversion value of 39.77% and a 55 delta (measure of equity sensitivity). These attributes should continue to provide attractive asymmetric returns for investors as we look forward to 2019.

Bancroft Fund's portfolio for the fourth quarter of 2018 declined in line with the convertible market. The weighted average current yield of the Fund at quarter end was 3.03%, with a median premium of 31.7%. The portfolio included 18.5% equity-like holdings, 58.9% total return holdings, and 22.7% fixed income surrogates. For 2018, our performance was most helped by strong equity participation over the first eight months of the year in positions across Technology and Consumer Discretionary. As convertibles moved higher, we took advantage of some steep valuations and moved into more conservative total return focused investments. This helped limit our downside in the fourth quarter. Bancroft Fund continues to invest entirely in convertible securities and we believe this is a good way to participate with equity upside and some downside protection in the form of yields and maturities.

Let's Talk Investments

The following are specifics on selected security holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the convertible bond prices are listed in points, the convertible preferred shares are listed in United States dollars (USD) and the underlying share prices are listed first in USD and second in the local currency, where applicable, and are presented as of December 31, 2018.

Aerojet Rocketdyne Holdings Inc. (Cv., 4.0625%, 12/31/2039) is a leading manufacturer of liquid and solid propulsion systems for manned and unmanned spacecraft, launch vehicles, missile defense systems, tactical missiles, and armament system applications for aerospace and defense markets. AJRD is the leader in building liquid propellant rocket engines, with more than sixty years of space launch experience. Customers include NASA, Boeing, and The United Launch Alliance, among many others. Further, AJRD has significant real estate holdings near Sacramento, California, that are in various stages of entitlement for residential development. We believe AJRD could monetize all of its real estate holdings over time, and thereby increase the per share private market value.

Boingo Wireless Inc. (Cv., 1.00%, 10/01/2023), headquartered in Westwood, California, offers various connectivity solutions. Perhaps more commonly known for its legacy WiFi hotspot business, the company has generally transitioned away from relying on consumer-facing WiFi solutions to focus on Distributed Antenna

Systems (DAS), military and multifamily solutions, and carrier offload. Boingo signs multiyear contracts with high traffic venues, such as airports, malls, and sports arenas, to provide network access solutions within those spaces. Cellular carriers such as AT&T and Verizon then contract with Boingo to supply their networks within those spaces, or to offload traffic to Boingo's existing WiFi networks. Boingo also contracts with military bases, student housing, and apartment buildings around the globe to supply connectivity to tenants in those spaces. We see significant opportunities for Boingo to grow its contracted recurring revenue business as it scales to more venues with help of carriers. These bonds have traded down since they were issued in 2018. At their current levels they offer an attractive yield to maturity, and we believe that over the next five years we could see some equity upside as well.

Evolent Health Inc. (Cv., 1.50%, 10/15/2025) is an Arlington, Virginia-based company that provides clinical, financial, and analytic data to facilitate value-driven healthcare. EVH provides a proprietary platform, Identifi, as well as expertise to help leading healthcare providers and health plans gain operational scale and clinical performance for their covered populations. The company builds financially aligned partnerships between providers and payers. Identifi scrapes patient data and finds opportunities to coordinate physicians, social workers, and care managers to make the best use of resources, especially in Medicaid, Medicare, and some parts of the commercial market. The company aims to save providers and payers 7%-10% through more disciplined management and better outcomes. The convertible bond provides a balanced way of investing, with a coupon of 1.50% and a maturity in 2025. The stock pays no dividend.

Extra Space Storage LP (Cv., 3.125%, 10/01/2035), based in Salt Lake City, Utah, is a Real Estate Investment Trust. EXR owns or operates 1600 self-storage properties with over one million units in 39 states. It is the second largest owner/operator of such facilities in the United States and a technology leader. EXR also stores boats, RVs, and offers commercial storage for business.

New Relic Inc. (Cv., 0.50%, 2023), headquartered in San Francisco, California, was founded in 2008 to focus on application performance monitoring (APM) from a Software-as-a-Service (SaaS) perspective. Today, NEWR has a suite of products that developers use to monitor, optimize, and detect problems with applications running in any environment. We believe these capabilities are fundamental building blocks of the digital economy, as most customer interactions now occur through applications. NEWR has seen strong growth as developers recognize the value proposition of the various APM services. We anticipate this growth will continue, and this convertible will allow us to participate in equity upside, while maintaining a yield advantage over the common shares. If the growth does not materialize as we anticipate, there should be limited downside due to the recurring revenue nature of the business, and the relatively solid balance sheet in which the convertible is the only debt.

Supernus Pharmaceuticals Inc. (Cv., 0.625%, 4/1/23), based in Rockville, Maryland, is a pharmaceutical company that focuses on development and commercialization of neurologic and psychology treatment. SUPN currently has several commercial products that have been used to treat epilepsy, ADHD, Parkinson's disease, depression, anxiety, and migraine. It most recently revealed Phase 3 data for a non-stimulant ADHD

medication that reached its primary endpoint and achieved faster onset of efficacy than its competition. The company has a strong portfolio of products in this specialty area, and the convertible provides a balanced way to participate in its growth. The 0.625% coupon provides some income, as the common stock has no dividend, and the 2023 maturity will help smooth volatility in the underlying common stock.

January 17, 2019

Top Ten Holdings
December 31, 2018

Alibaba Mandatory Exchangeable Trust, Cv., 5.75%, 06/01/2019	CSG Systems International Inc., 4.25%, 03/15/2036
Aerojet Rocketdyne Holdings Inc., 2.25%, 12/15/23	Lumentum Holdings Inc., 0.25%, 03/15/2024
Twilio Inc., 0.25%, 06/01/2023	Sunpower Corp., Cv., 4.00%, 01/15/23
IAC Financeco Inc., 0.875%, 10/01/22	Apptio Inc., 0.875%, 04/01/23
Bank of America Corp. CVP	Extra Space Storage LP, 3.125%, 10/01/35

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Common Stock Repurchase Plan

On November 19, 2015, The Board of Trustees of the Fund (the "Board") voted to enhance the Fund's Share Repurchase Program and authorize the repurchase of the Fund's shares of beneficial interest in the open market from time to time when the shares are trading at a discount of 10% or more from NAV. In total through December 31, 2018, the Fund has repurchased and retired 714,769 shares in the open market under this share repurchase plan, 76,466 of which were repurchased in the fourth calendar quarter of 2018, at an average investment of \$19.61 per share and an average discount of approximately 14.2% from its NAV.

5% Distribution Policy for Common Stockholders (MAY NEED REWORKING)

The Trustees of the Fund have reaffirmed the continuation of the Fund's 5% distribution policy. Pursuant to its distribution policy, the Fund paid a \$1.65 per share cash distribution on December 28, 2018 to common stockholders of record on November 27, 2018.

The Fund intends to pay a quarterly distribution of an amount determined each quarter by the Board. Under the Fund's current distribution policy, the Fund intends to pay a minimum annual distribution of 5% of the Fund's trailing twelve-month average month end market price or an amount sufficient to satisfy the minimum distribution requirements of the Internal Revenue Code for regulated investment companies.

If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's earnings would be deemed a return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Despite the challenges of the extra recordkeeping, a distribution that incorporates a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders.

Long term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2018, the total distributions paid to common shareholders in 2018 represent approximately 25% from net investment income and 75% from net capital gains. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2018 distributions in early 2019 via Form 1099-DIV.

5.375% Series A Cumulative Preferred Shares

The Fund's 5.375% Series A Cumulative Preferred Shares paid a \$0.3359375 per share cash distribution on December 26, 2018 to preferred shareholders of record on December 18, 2018. The Series A Preferred Shares, which trade on the NYSE American under the symbol "BCV Pr A", are rated "A1" by Moody's Investors Service and have an annual dividend rate of \$1.34375 per share. The Series A Preferred Shares were issued on August 9, 2016, at \$25.00 per share and pay distributions quarterly. The Series A Preferred Shares will be callable at any time at the liquidation value of \$25.00 per share plus accrued dividends following the expiration of the five year call protection on August 9, 2021. The next distribution is scheduled for March 2019.

Long term capital gains, qualified dividend income, and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the distribution allocations of the Fund as of December 31, 2018, the total distributions paid to preferred shareholders represent approximately

25% from net investment income and 75% from net capital gains. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2018 distributions in early 2019 via Form 1099-DIV.

Tax Treatment of Distributions to Common and Preferred Shareholders

All or part of the distributions may be treated as long term capital gain or qualified dividend income (or a combination of both) for individuals, each subject to the maximum federal income tax rate, which is currently 20% in taxable accounts for individuals. In addition, certain U.S. shareholders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their “net investment income,” which includes dividends received from the Fund and capital gains from the sale or other disposition of shares of the Fund.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Closed-End Funds and Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at closedend@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and Fund reports. For more information or to register for e-delivery, please visit our website at www.gabelli.com.

BANCROFT FUND LTD. AND YOUR PERSONAL PRIVACY

Who are we?

Bancroft Fund Ltd. (the “Fund”) is a closed-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries and affiliates that provide investment advisory services for a variety of clients.

What kind of non-public information do we collect about you if you become a fund shareholder?

When you purchase shares of the Fund on the NYSE American Exchange, you have the option of registering directly with our transfer agent in order, for example, to participate in our dividend reinvestment plan.

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us.* This would include information about the shares that you buy or sell; it may also include information about whether you sell or exercise rights that we have issued from time to time. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLANS

Enrollment in the Plan

It is the policy of Bancroft Fund Ltd. to automatically reinvest dividends payable to common shareholders. As a “registered” shareholder you automatically become a participant in the Fund’s Automatic Dividend Reinvestment Plan (the “Plan”). The Plan authorizes the Fund to credit common shares to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund, unless, for specific distributions designated by the Fund, a cash distribution can be elected by record date shareholders. Plan participants may send their share certificates to American Stock Transfer (“AST”) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

Bancroft Fund Ltd.
c/o American Stock
Transfer 6201 15th Avenue
Brooklyn, NY 11219

Shareholders requesting this cash election must include the shareholder’s name and address as they appear on the share certificate or the account, as applicable. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan may contact AST toll free at (877) 208-9514.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of “street name” and re-registered in your own name. Once registered in your own name, your distributions will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in “street name” at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of common shares distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund’s common shares is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued common shares valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund’s common shares. The valuation date is the dividend or distribution payment date or, if that date is not a NYSE American trading day, the next trading day. If the net asset value of the common shares at the time of valuation exceeds the market price of the common shares, participants will receive common shares from the Fund valued at market price. For the fourth quarter distribution when the market price is lower, the Fund will issue shares at the market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, AST will buy common shares in the open market, or on the NYSE American, or elsewhere, for the participants’ accounts, except that AST will endeavor to terminate purchases in the open

market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common shares exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

Voluntary Cash Purchase Plan

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to AST for investments in the Fund's common shares at the then current market price. Shareholders may send an amount from \$100 to \$10,000. AST will use these funds to purchase shares in the open market on or about the 15th of each month. AST will charge each shareholder who participates a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to American Stock Transfer, 6201 15th Avenue, Brooklyn, NY 11219 such that AST receives such payments approximately 10 days before the investment date. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by AST at least 48 hours before such payment is to be invested.

Shareholders wishing to liquidate shares held at AST must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

More information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, is available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by AST on at least 90 days written notice to participants in the Plan.

BANCROFT FUND LTD.

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Portfolio Management Team Biographies

Thomas 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. From 1996 to 2015 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 has a B.S. in Economics from the Wharton School of Business, and an M.A. in Economics from Fairleigh Dickinson University.

Jane 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. From 1996 to 2015 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. In 1980, Ms. O’Keeffe began as an assistant to the portfolio manager of IDS Progressive Fund. From 1983 through March 1986, she had research and portfolio management responsibilities at Soros Fund Management Company. In 1986, she was a portfolio manager and research analyst at Simms Capital Management until she joined Fiduciary Trust International in 1988 where she became a Vice President and Portfolio Manager for individuals, endowments, and foundations. She has a B.A. from the University of New Hampshire and attended the Lubin Graduate School of Business at Pace University.

James 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 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. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading “Specialized Equity Funds,” in Monday’s The Wall Street Journal. It is also listed in Barron’s Mutual Funds/Closed End Funds section under the heading “Specialized Equity Funds.”

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com. The NASDAQ symbol for the Net Asset Value per share 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.

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BANCROFT FUND LTD.

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December 31, 2018