

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND



2000 Annual Report
September 30, 2000

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Ellsworth Convertible Growth and Income Fund, Inc. operates as a closed-end, diversified management investment company and invests primarily in convertible securities, with the objectives of providing income and the potential for capital appreciation -- which objectives the Company considers to be relatively equal, over the long-term, due to the nature of the securities in which it invests.

Highlights

Performance thru 9/30/00 with dividends reinvested

	9 Months	1 Year	5 Year	10 Year
Ellsworth market value *	20.80%	25.72%	124.01%	362.26%
Ellsworth net asset value †	9.36	21.85	110.24	318.20
Closed-end convertible fund average †	10.37	21.92	80.93	298.84
S&P 500 *	(1.39)	13.28	166.74	489.80
Russell 2000 *	4.23	23.61	80.02	311.37 ‡
Lehman Aggregate Bond Total Return Index †	7.12	6.99	36.81	116.81

Performance data represent past results and do not reflect future performance.

* From Bloomberg L.P. pricing service.

† From Lipper, Inc. Closed-End Fund Performance Analysis.

‡ Simple appreciation of index.

Quarterly History of NAV and Market Price

Qtr. Ended	Net Asset Values			Market Prices (AMEX, symbol ECF)		
	High	Low	Close	High	Low	Close
Dec. 99	\$11.53	\$ 9.98	\$11.08	\$ 9.69	\$8.13	\$8.44
Mar. 00	12.30	10.64	11.99	9.38	8.44	8.81
Jun. 00	12.02	10.87	11.86	9.25	8.38	9.19
Sep. 00	12.36	11.06	11.82	10.38	9.06	9.88

Dividend Distributions (12 Months)

Record Date	Payment Date	Income	Capital Gains	Total	* Corporate Deduction
10/29/99	11/29/99	\$0.058	\$1.232	\$1.290	22%
2/14/00	2/28/00	0.090	—	0.090	24
5/16/00	5/30/00	0.100	—	0.100	24
8/16/00	8/30/00	0.100	—	0.100	24
		<u>\$0.348</u>	<u>\$1.232</u>	<u>\$1.580</u>	

* Percentage of each ordinary income distribution qualifying for the dividend received tax deduction by corporate shareholders.

To Our Shareholders

When preparing the Annual Report to shareholders in national election years I usually wait to write the shareholder letter until after the results are known. Well, the results are in, but they are not known. The uncertainty surrounding the outcome of the Presidential election has affected markets for bonds and stocks as well as currencies. Our economy and our political system are up to this challenge, but it does fog some long-term industry outlooks for now. The system should work and a peaceful transition of power should occur on January 20.

What a difference a year makes. From November to March, the NASDAQ Stock Index moved up over 60% and the Standard and Poor's Stock Index by over 10%. And now both the NASDAQ and the Standard and Poor's 500 are trading almost exactly where they were in early November, 1999.

While this volatility in the stock market is not unprecedented, it can be disconcerting to many. Clearly much of the volatility was due to the Internet bubble first rising and then bursting. Also a factor was the tightening of monetary policy by the Federal Reserve Board. At this time, the Internet excesses appear to have been washed out of the system and the Federal Reserve Board does not appear poised to tighten further. Indeed, some believe they may lower interest rates next year.

Our outlook for 2001 is for continuation of the trends of increasing productivity and high investments by people saving for retirement through various pension programs. With this outlook, we are optimistic about both the stock and bond markets. If a portion of Social Security is allowed to be invested in the private markets, then we are even more optimistic. We are also hopeful that the market volatility of the last year will not be repeated in the coming months.

In the most recent edition of its "Quicktake Report", Morningstar* continued to rate Ellsworth's performance at four stars (above average). Shareholders who wish a copy of this report or the most recent report issued by Standard and Poor's on the Fund should contact us. You can also view the Morningstar report on their website, www.morningstar.com.**

At its October meeting, the Board of Directors declared a dividend totaling \$1.445. This dividend consists of 13 cents from undistributed net investment income, 80 cents from realized short-term capital gains and 51.5 cents from realized long-term capital gains. This dividend will be paid on November 29, 2000 to shareholders of record October 26, 2000. This brings the total dividends paid to shareholders this year to \$1.735.

The 2001 annual meeting of shareholders will be held in Atlantis, Florida on January 12, 2001. Particulars will be included in the proxy statement. All shareholders are welcome to attend and we hope to see you there.



Thomas H. Dinsmore
Chairman of the Board

November 10, 2000

* Morningstar is a mutual fund analysis and statistical reporting service that reports on and rates most mutual funds.

** Morningstar is solely responsible for the content of its site.

See Important Factors Regarding Forward-Looking Statements on page 13 of this report.

Largest Investment Holdings by underlying common stock

Principal Amount or Shares		Value (Note 1)	% Total Net Assets
1,250,000	Sepracor, Inc. <i>Develops and commercializes potentially improved versions of widely-prescribed drugs.</i>	\$ 2,590,625	2.4 %
30,000	MetLife, Inc. <i>Provides insurance and financial services to a range of individual and institutional customers. (exchangeable from MetLife Capital Trust I 8% equity security units)</i>	2,497,500	2.3
2,000,000	Cable and Wireless Communications plc <i>An integrated telecommunications company operating throughout the United Kingdom, as a provider of television and Internet services. (exchangeable from Bell Atlantic Financial 4 1/4% due 2005)</i>	2,250,000	2.1
2,150,000	American Express Company <i>Through its subsidiaries, provides travel-related, financial advisory, and international banking services around the world. (exchangeable from Exch. Certificate 0.625% due 2005)</i>	2,193,000	2.0
2,000,000	Time Warner, Inc. <i>A media company with operations in entertainment, cable networks and publishing. (exchangeable from Merrill Lynch 0.25% due 2006)</i>	2,130,000	2.0
40,800	Apache Corp. <i>Explores for and produces natural gas, crude oil and natural gas liquids.</i>	2,098,650	1.9
50,000	The Coastal Corp. <i>Gathers, markets, processes, stores and transmits gas, as well as refines, markets and distributes petroleum and chemicals. The Company is also involved in oil and gas exploration and production, coal mining and power.</i>	2,078,125	1.9
1,950,000	Diamond Offshore Drilling, Inc. <i>Drills offshore oil and gas wells on a contract basis. (exchangeable from 3 3/4% due 2007 and Loews Corp. 3 1/8% due 2007)</i>	2,063,781	1.9
2,000,000	General Electric Corp. <i>Develops and manufactures products for the utilization of electricity. GE also offers financial services through GE Capital Services, Inc. and owns the National Broadcasting Company. (exchangeable from CS First Boston 2% due 2010 and Exch. Certificate 1 1/4% due 2004)</i>	2,054,375	1.9
25,000	ACE Limited <i>The holding company for the ACE Group of Companies, a property and casualty insurance business.</i>	2,017,188	1.8
	Total	<u>\$21,973,244</u>	<u>20.1 %</u>

Major Industry Exposure

	<u>% Total Net Assets</u>
Energy	14.10%
Telecommunications	14.05
Technology	13.78
Financial & Insurance	9.54
Entertainment	8.85
Banking	6.83
Health Care & Drugs	6.69
Capital Goods	4.13
Cable	3.88
Retail	3.42
Total	<u>85.27%</u>

Major Portfolio Changes by underlying common stock Three months ended September 30, 2000

	<u>Principal Amount or Shares</u>
ADDITIONS	
Affiliated Computer Services, Inc.	1,000,000
Analog Devices, Inc.	1,000,000
The Chase Manhattan Corp. (<i>exchangeable from JMH Finance, Ltd.</i>)	1,000,000
Covad Communications Group, Inc.	1,250,000
Crown Castle International Corp.	20,000
Johnson & Johnson (<i>exchangeable from Merrill Lynch & Co., Inc.</i>)	1,000,000
Online Resources & Communications Corp.	1,000,000
QUALCOMM, Inc. (<i>exchangeable from First Union National Bank</i>)	1,000,000
Radio One Inc.	1,250
Telecom Italia S.p.A. (<i>exchangeable from Tecnost International, N.V.</i>)	1,500,000
United Parcel Service, Inc.	1,000,000
REDUCTIONS	
Merck & Co. and Pfizer, Inc. (<i>exchangeable from Bear Stearns Cos., Inc.</i>)	2,000,000
Cable and Wireless Communications plc (<i>exchangeable from Bell Atlantic Fin'l Services</i>)	1,000,000
Clear Channel Communications, Inc.	1,000,000
CVS Corp.	15,200
Georgia-Pacific Corp.	30,000
EMC Corp. (<i>exchangeable from The Goldman Sachs Group, Inc.</i>)	1,000,000
Interim Services Inc.	1,500,000
Juniper Networks, Inc.	1,000,000
Merrill Lynch & Co., Inc. note linked to tech basket	1,500,000
Siebel Systems, Inc.	200,000
TXU Corp.	20,000

Portfolio of Investments September 30, 2000

Principal Amount or Shares		Identified Cost	Value (Note 1)
	ADVERTISING — 2.6%		
\$1,500,000	Interpublic Group Cos., Inc. 1.87% 2006 cv. sub. deb. 144A (Baa1)	\$ 1,332,649	\$ 1,338,750
500,000	Young & Rubicam, Inc. 3% 2005 cv. sub. notes Reg. (Baa3)	520,000	496,250
1,000,000	Young & Rubicam, Inc. 3% 2005 cv. sub. notes 144A (Baa3)	1,015,000	992,500
		<u>2,867,649</u>	<u>2,827,500</u>
	AEROSPACE — 0.5%		
700,000	SPACEHAB, Inc. 8% 2007 cv. sub. notes 144A (NR)	701,438	507,500
	BANKING — 6.8%		
50,000 shs	CNB Capital Trust I 6% SPuRS (A1) (exch. for Fifth Third Bancorp common stock)	1,253,063	1,906,250
1,000,000	Deutsche Bank Financial, Inc. 1 1/4% 2007 medium-term exch. notes (Aa3) (exch. for CitiGroup, Inc. common stock)	1,025,378	1,122,500
1,000,000	JMH Finance, Ltd. 4 3/4% 2007 guaranteed bonds 144A (NR) (exch. for The Chase Manhattan Corp. common stock)	1,043,750	1,023,750
40,000 shs	National Australia Bank Ltd. 7 7/8% exch. capital units (A1)	1,038,700	1,012,500
25,000 shs	Sovereign Capital Trust II 7 1/2% PIERS (B1) (exch. for Sovereign Bancorp, Inc. common stock)	1,250,000	1,435,938
30,000 shs	WBK Trust 10% STRYPES * (NR) (exch. for Westpac Banking Corp., Ltd. common stock)	716,865	958,125
		<u>6,327,756</u>	<u>7,459,063</u>
	CABLE — 3.9%		
2,000,000	Bell Atlantic Financial Services, Inc. 4 1/4% 2005 euro. cv. sub. deb. (A1) (exch. for cash equiv. of Cable & Wireless Communications plc common stock)	2,284,219	2,250,000
20,000 shs	Cox Communications, Inc. 7% FELINE PRIDES * (Baa2)	1,000,000	1,037,500
29,000 shs	UnitedGlobalCom depositary shares representing 7% series D sr. cum. cv. pfd. (Caa)	1,666,125	953,375
		<u>4,950,344</u>	<u>4,240,875</u>
	CAPITAL GOODS — 4.1%		
1,050,000	Advanced Energy Industries, Inc. 5 1/4% 2006 cv. sub. notes (NR)	1,066,500	960,750
1,500,000	CS First Boston, Inc. 2% 2010 sr. medium-term exch. notes 144A (A1) (exch. for General Electric Corp. common stock)	1,530,314	1,488,750
500,000	Exchangeable Certificate Corp. 1 1/4% 2004 sr. medium-term exch. notes 144A (AAA)(exch. for General Electric Corp. common stock)	487,225	565,625
15,000 shs	Hanover Compressor Capital Trust 7 1/4% cv. pfd. TIDES 144A (B1) (conv. into Hanover Compressor Company common stock)	750,000	1,492,500
		<u>3,834,039</u>	<u>4,507,625</u>
	DATA-PROCESSING SERVICES — 1.4%		
1,750,000	National Data Corp. 5% 2003 cv. sub. notes (Ba3)	1,746,875	1,548,750
	ENERGY — 14.1%		
24,000 shs	AES Trust VII \$3 trust cv. pfd. securities 144A (Ba3) (conv. into AES Corp. common stock)	1,276,500	1,971,000
40,800 shs	Apache Corp. \$2.015 depositary shares representing series C ACES pfd. * (Baa2)	1,354,341	2,098,650
50,000 shs	The Coastal Corp. 6 5/8% FELINE PRIDES * (Baa2)	1,212,409	2,078,125
500,000	Devon Energy Corp. 4.90% 2008 cv. sub. deb. (Baa1) (conv. into Chevron Corp. common stock)	495,000	475,938
1,000,000	Devon Energy Corp. 4.95% 2008 cv. sub. deb. (Baa1) (conv. into Chevron Corp. common stock)	995,000	955,625
1,450,000	Diamond Offshore Drilling, Inc. 3 3/4% 2007 cv. sub. notes (Baa1)	1,489,875	1,621,281
50,000	Enron Corp. 7% 2002 exch. notes * (Baa1) (conv. into EOG Resources, Inc. common stock)	1,101,940	1,728,125

Portfolio of Investments September 30, 2000 (continued)

Principal Amount or Shares		Identified Cost	Value (Note 1)
	ENERGY — continued		
\$1,000,000	Exchangeable Certificate Corp. 2% 2005 medium-term exch. notes 144A (AAA)(exch. for Exxon Mobil Corp. common stock)	\$ 955,683	\$ 988,750
750,000	Kerr-McGee Corp. 5 ¹ / ₄ % 2010 cv. sub. deb. (Baa2)	750,938	916,875
500,000	Kerr-McGee Corp. 7 ¹ / ₂ % 2014 cv. sub. deb. (Baa2)	476,250	494,375
30,000	Kerr-McGee Corp. 5 ¹ / ₂ % 2004 DECS * (Baa1) (exch. for Devon Energy Corp. common stock)	995,625	1,625,625
500,000	Loews Corp. 3 ¹ / ₈ % 2007 cv. sub. deb. (A2) (conv. into Diamond Offshore Drilling, Inc. common stock)	428,125	442,500
		<u>11,531,686</u>	<u>15,396,869</u>
	ENTERTAINMENT — 8.9%		
1,750,000	America Online, Inc. 0% 2019 cv. sub. deb. (Ba3)	988,968	894,688
750,000	Clear Channel Communications, Inc. 2 ⁵ / ₈ % 2003 sr. cv. notes (Baa3)	977,813	826,406
1,000,000	Clear Channel Communications, Inc. 1 ¹ / ₂ % 2002 sr. cv. notes (Baa3)	1,010,625	926,875
2,000,000	Deutsche Bank Financial, Inc. 1% 2007 sr. medium-term exch. notes (Aa3) (exch. for cash value of The Walt Disney Corp. com- mon stock)	2,091,266	1,995,000
1,000,000	EchoStar Communications Corp. 4 ⁷ / ₈ % 2007 cv. sub. notes 144A(Caa2)	1,000,000	1,321,250
1,000,000	Imax Corp. 5 ³ / ₄ % 2003 cv. sub. notes 144A (B1)	1,000,000	978,750
2,000,000	Merrill Lynch & Co., Inc. 0.25% 2006 series B medium-term notes (Aa3) (exch. for Time Warner, Inc. common stock)	2,000,000	2,130,000
1,000 shs	Radio One Inc. 6 ¹ / ₂ % HIGH TIDES 144A (Caa)	1,000,000	590,000
		<u>10,068,672</u>	<u>9,662,969</u>
	FINANCIAL & INSURANCE — 9.5%		
25,000 shs	ACE Limited 8 ¹ / ₄ % FELINE PRIDES * (A2)	1,250,000	2,017,188
15,974 shs	American General Delaware, L.L.C. common stock	658,439	1,245,972
1,500,000	American International Group 0.50% 2007 cv. notes (AAA)	1,500,000	1,691,250
2,150,000	Exchangeable Certificate Corp. 0.625% 2005 medium-term exch. notes 144A (AAA)(exch. for American Express Co. common stock)	2,004,917	2,193,000
30,000	MetLife Capital Trust I 8% equity security units * (A1) (exch. for MetLife, Inc. common stock)	1,494,199	2,497,500
625,000	Penn Treaty American Corp. 6 ¹ / ₄ % 2003 cv. sub. notes (BB+)	605,938	512,500
325,000	Penn Treaty American Corp. 6 ¹ / ₄ % 2003 cv. sub. notes 144A (BB+)	338,000	266,500
		<u>7,851,493</u>	<u>10,423,910</u>
	HEALTH CARE & DRUGS — 6.7%		
2,000,000	Elan Finance Corp. 0% 2018 LYON 144A (Baa3) (exch. for ADR's representing Elan Corp., plc common stock)	1,118,530	1,622,500
800,000	Human Genome Sciences, Inc. 3 ³ / ₄ % 2007 cv. sub. notes (NR)	684,000	776,000
500,000	Ivax Corp. 5 ¹ / ₂ % 2007 cv. senior sub. notes 144A (NR)	500,000	721,875
1,000,000	Merrill Lynch & Co., Inc. 2% 2005 medium-term notes (Aa3) (exch. for Johnson & Johnson common stock)	1,026,900	995,000
625,000	Roche Holdings, Inc. 0% 2015 LYON 144A (NR) (exch. for Genentech, Inc. common stock)	423,538	592,969
1,000,000	Sepracor, Inc. 7% 2005 cv. notes 144A (CCC+)	1,000,000	2,072,500
250,000	Sepracor, Inc. 7% 2005 cv. notes (CCC+)	228,750	518,125
		<u>4,981,718</u>	<u>7,298,969</u>
	MULTI-INDUSTRY — 1.8%		
2,000,000	Lehman Brothers Holdings, Inc. 0% 2003 BASES notes (A3) (based on the value of the performance of the 10 Uncommon Values index)	2,040,281	1,980,000

Portfolio of Investments September 30, 2000 (continued)

Principal Amount or Shares		Identified Cost	Value (Note 1)
RETAIL — 3.4%			
\$1,000,000	Costco Companies, Inc. 0% 2017 cv. sub. notes 144A (A3)	\$ 568,630	\$ 842,500
1,250,000	Costco Companies, Inc. 0% 2017 cv. sub. notes (A3)	1,031,539	1,053,125
32,500 shs	Dollar General Trust 8½% STRYPES * (NR) (conv. into Dollar General Corp. common stock)	1,087,039	970,938
12,300 shs	Estee Lauder Trust \$5.40 TRACES II * (NR) (conv. into Estee Lauder Companies, Inc. common stock)	993,771	869,456
		<u>3,680,979</u>	<u>3,736,019</u>
TECHNOLOGY — 13.8%			
1,000,000	Affiliated Computer Services 4% 2005 cv. sub. notes 144A (Baa3)	1,161,175	1,296,250
1,000,000	Analog Devices, Inc. 4¾% 2005 cv. sub. notes 144A (NR)	1,000,000	1,030,625
1,000,000	CS First Boston, Inc. 2% 2010 medium-term exch. notes 144A (A1) (exch. for Cisco Systems, Inc. common stock)	1,028,922	1,052,500
1,500,000	CS First Boston, Inc. 1% 2006 medium-term exch. notes (A1) (exch. for Microsoft Corp. common stock)	1,589,297	1,245,000
1,000,000	Cypress Semiconductor Corp. 3¾% 2005 cv. sub. deb. (B1)	1,001,250	943,750
1,000,000	Exchangeable Certificate Corp. 0.25% 2005 medium-term exch. notes 144A (AAA)(exch. for Intel Corp. common stock)	914,861	802,500
750,000	Exodus Communications, Inc. 4¾% 2008 cv. sub. notes 144A (NR)	750,000	1,154,531
1,000,000	The Goldman Sachs Group, Inc. 0.25% 2007 medium-term notes (A1) (exch. for EMC common stock)	1,000,000	1,372,980
1,000,000	Hewlett-Packard Co. 0% 2017 LYON 144A (Aa3)	590,262	730,625
1,000,000	LSI Logic Corp. 4% 2005 cv. sub. notes (B1)	1,118,295	806,250
500,000	Rational Software Corp. 5% 2007 cv. sub. notes 144A (NR)	500,000	1,036,250
1,250,000	Sci Systems, Inc. 3% 2007 cv. sub. notes (Ba1)	1,268,730	1,259,375
1,000,000	Solectron Corp. 0% 2019 LYON (Baa3)	692,453	741,250
1,200,000	STMicroelectronics, N.V. 0% 2009 LYON (Baa1)	1,000,938	1,576,500
		<u>13,616,183</u>	<u>15,048,386</u>
TELECOMMUNICATIONS — 14.0%			
750,000	American Tower Corp. 5% 2010 cv. sub. deb. 144A (NR)	750,000	710,625
4,000,000	Anixter International, Inc. 0% 2020 LYON 144A (Ba3)	1,048,514	1,125,000
1,000,000	Bell Atlantic Financial Services, Inc. 5¾% 2003 cv. sub. deb. 144A (A1) (exch. for cash equiv. Telecom Corp. of New Zealand common stock)	1,072,139	968,750
1,250,000	Covad Communications Group, Inc. 6% 2005 sr. cv. notes 144A (B3)	1,250,000	1,171,875
15,000 shs	Crown Castle International Corp. 6¼% 2012 cv. pfd. (Caa)	750,000	767,813
1,000,000	Exchangeable Certificate Corp. 0.25% 2006 medium-term exch. notes 144A (AAA)(exch. for specific telephone and cable common stocks **)	1,000,000	992,500
1,000,000	First Union National Bank 7% 2002 equity-linked series B notes (AA3) (linked to the value of QUALCOMM, Inc. common stock) . .	1,000,000	1,160,000
1,250,000	Level 3 Communications, Inc. 6% 2010 cv. sub. notes (Caa1)	1,212,500	1,065,625
1,000,000	Liberty Media Corp. 3¾% 2030 sr. exch. deb. 144A (Baa3) (exch. for Sprint Corporation PCS common stock)	1,000,000	772,500
25,000	MediaOne Group, Inc. 7% 2002 PIES-a * (A3) (exch. for ADR's representing Vodafone AirTouch plc common stock)	1,106,500	939,063
1,750,000	Nextel Communications, Inc. 5¼% 2010 cv. sr. notes 144A (B1)	1,756,250	1,642,813
1,000,000	Online Resources & Communications Corp. 8% 2005 cv. sub. notes 144A (NR)	1,000,000	1,005,000
500,000	Pinnacle Holdings, Inc. 5½% 2007 cv. sub. notes 144A (NR)	500,000	331,875
1,500,000	Tecnost International, N.V. 1% 2005 ADB 144A (Baa2) (exch. for ADR's representing Telecom Italia S.p.A. common stock)	1,329,600	1,322,314
700,000	Tekelec 3¼% 2004 cv. sub. discount notes 144A (NR)	613,587	1,359,750
		<u>15,389,090</u>	<u>15,335,503</u>

Portfolio of Investments September 30, 2000 (continued)

Principal Amount		Identified Cost	Value (Note 1)
	TRANSPORTATION — 1.0%		
\$1,000,000	United Parcel Service, Inc. 1 ³ / ₄ % 2007 cash-settled cv. sr. notes (AAA)	\$ 1,000,000	\$ 1,030,000
17,000	U.S. TREASURY NOTES — 0.0% 4 ⁷ / ₈ % 3/31/01 †	16,971	16,878
	CORPORATE SHORT-TERM NOTES — 1.5%		
1,600,000	American Express Credit Corp. (P1) (6.56% maturing 10/3/00)	1,598,834	1,598,834
	Total Convertible Bonds and Notes — 72.9%	73,347,922	79,615,486
	Total Convertible Preferred Stocks — 18.5%	16,598,813	20,159,358
	Total Common Stocks — 1.1%	658,439	1,245,972
	Total Corporate Short-Term Notes — 1.5%	1,598,834	1,598,834
	Total Investments — 94.0%	<u>\$ 92,204,008</u>	<u>102,619,650</u>
	Other assets and liabilities, net — 6.0%		6,560,585
	Total Net Assets — 100.0%		<u>\$ 109,180,235</u>

* See Note 1(e)

** Ticker symbols: CSCO, CMCSK, TWX, IBM, LMGa and WCOM

† Collateral for a letter of credit

ACES	Automatically Convertible Equity Securities
ADB	American Depositary Bonds
ADR	American Depositary Receipts
BASES	Basket Adjusting Structured Equity Securities
DECS	Debt Exchangeable for Common Stock
FELINE	Family of Equity-Linked Income Securities
GEMMS	Guaranteed Exchangeable Monetisation of Multiple Shares
HIGH TIDES	Remarketable Term Income Deferrable Equity Securities
LYON	Liquid Yield Option Note
PIERS	Preferred Income Equity Redeemable Securities
PIES	Premium Income Exchangeable Securities
PRIDES	Preferred Redeemable Increased Dividend Equity Securities
SPuRS	Shared Preference Redeemable Securities
STRYPES	Structured Yield Product Exchangeable for Stock
TIDES	Term Income Deferrable Equity Securities
TRACES	Trust Automatic Common Exchange Securities

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's, a division of McGraw-Hill Companies, Inc., have been obtained from sources believed reliable but have not been audited by PricewaterhouseCoopers LLP.

The cost of investments for federal income tax purposes is \$92,204,008 resulting in gross unrealized appreciation and depreciation of \$15,102,062 and \$4,686,420, respectively, or net unrealized appreciation of \$10,415,642 on a tax cost basis.

See accompanying notes to financial statements

Statement of Assets and Liabilities

	<u>September 30, 2000</u>
Assets:	
Investments at value (cost \$92,204,008) (Note 1)	\$ 102,619,650
Cash	4,354,945
Receivable for securities sold	4,137,371
Dividends and interest receivable	488,565
Other assets	<u>19,506</u>
Total assets	<u>111,620,037</u>
Liabilities:	
Payable for securities purchased	2,329,600
Accrued management fee (Note 2)	69,437
Accrued expenses	<u>40,765</u>
Total liabilities	<u>2,439,802</u>
Net Assets	<u>\$ 109,180,235</u>
Net assets consist of:	
Undistributed net investment income	\$ 1,218,697
Undistributed net realized gain from investment transactions	12,110,703
Unrealized appreciation on investments	10,415,642
Capital shares (Note 3)	92,335
Additional paid-in capital	<u>85,342,858</u>
Net Assets	<u>\$ 109,180,235</u>
Net asset value per share (\$109,180,235 ÷ 9,233,538 outstanding shares)	<u>\$ 11.82</u>

Statement of Operations

For the Year Ended September 30, 2000

Investment Income (Note 1):	
Interest	\$ 3,661,182
Dividends	<u>1,457,107</u>
Total Income	<u>5,118,289</u>
Expenses (Note 2):	
Management fee	764,782
Custodian	38,464
Transfer agent	28,122
Professional fees	112,543
Directors' fees	93,875
Reports to shareholders	56,114
Treasurer's office	25,000
Other	<u>90,004</u>
Total Expenses	<u>1,208,904</u>
Net Investment Income	<u>3,909,385</u>
Realized and Unrealized Gain on Investments:	
Net realized gain from investment transactions	12,120,056
Net increase in unrealized appreciation of investments	<u>5,000,401</u>
Net gain on investments	<u>17,120,457</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 21,029,842</u>

See accompanying notes to financial statements

Statement of Changes in Net Assets

For the Years Ended September 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Increase in net assets from operations:		
Net investment income	\$ 3,909,385	\$ 2,801,861
Net realized gain from investment transactions	12,120,056	10,525,513
Net increase in unrealized appreciation of investments	<u>5,000,401</u>	<u>1,575,266</u>
Net increase in net assets resulting from operations	<u>21,029,842</u>	<u>14,902,640</u>
Dividends to shareholders from:		
Net investment income	(3,181,095)	(2,684,269)
Net realized gain on investments	<u>(10,534,569)</u>	<u>(10,656,426)</u>
Total dividends	<u>(13,715,664)</u>	<u>(13,340,695)</u>
Capital share transactions (Note 3)		
Value of shares issued on reinvestment of distributions	7,092,766	7,039,766
Cost of shares repurchased	<u>(1,266,730)</u>	<u>—</u>
Change in net assets resulting from capital share transactions	<u>5,826,036</u>	<u>7,039,766</u>
Increase in net assets	13,140,214	8,601,711
Net assets at beginning of year	<u>96,040,021</u>	<u>87,438,310</u>
Net assets at end of year (including undistributed net investment income of \$1,218,486 and \$490,195, respectively)	<u>\$109,180,235</u>	<u>\$ 96,040,021</u>

Financial Highlights

Selected data for a share of common stock outstanding:

	Years Ended September 30,				
	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Per Share Operating Performance:					
Net asset value, beginning of year	\$11.23	\$11.18	\$13.33	\$11.80	\$10.76
Net investment income42	.33	.35	.40	.43
Net realized and unrealized gain (loss)	<u>1.71</u>	<u>1.40</u>	<u>(.65)</u>	<u>2.59</u>	<u>1.37</u>
Total from investment operations	2.13	1.73	(.30)	2.99	1.80
Less Distributions:					
Dividends from net investment income	(.35)	(.32)	(.37)	(.40)	(.47)
Distributions from realized gains	<u>(1.23)</u>	<u>(1.36)</u>	<u>(1.48)</u>	<u>(1.06)</u>	<u>(.29)</u>
Total distributions	<u>(1.58)</u>	<u>(1.68)</u>	<u>(1.85)</u>	<u>(1.46)</u>	<u>(.76)</u>
Capital share repurchases	<u>.04</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net asset value, end of year	<u>\$11.82</u>	<u>\$11.23</u>	<u>\$11.18</u>	<u>\$13.33</u>	<u>\$11.80</u>
Market value, end of year	\$9.875	\$9.375	\$10.00	\$11.25	\$9.875
Net assets, end of period (\$000's)	109,180	96,040	87,438	94,822	78,395
Total Investment Return:					
Based on net asset value*	21.85%	16.42%	(2.39)%	27.77%	17.43%
Based on market value†	25.72%	10.39%	5.21%	30.93%	17.13%
Ratios/Supplemental Data:					
Ratio of expenses to average net assets	1.2%	1.1%	1.1%	1.2%	1.2%
Ratio of net investment income to average net assets	3.8%	3.0%	3.0%	3.4%	3.9%
Portfolio turnover rate	98%	67%	59%	71%	70%

* Assumes valuation of the Fund's shares, and reinvestment of dividends, at net asset values.

† Assumes valuation of the Fund's shares at market price and reinvestment of dividends at actual reinvestment price.

See accompanying notes to financial statements

Notes to Financial Statements

1. Significant Accounting Policies

Ellsworth Convertible Growth and Income Fund, Inc. (the “Fund”) is registered under the Investment Company Act of 1940 as a diversified, closed-end management investment company. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements:

(a) Security Valuation

Investments in securities traded on a national securities exchange are valued at market using the last reported sales price as of the close of regular trading. Securities traded in the over-the-counter market and listed securities for which no sales were reported are valued at the mean between reported bid and asked prices as of the close of regular trading. Where no closing prices are available, value is determined by management, with the approval of the Board of Directors.

(b) Securities Transactions and Related Investment Income

Security transactions are accounted for on the trade date (date the order to buy or sell is executed) with gain or loss on the sale of securities being determined based upon identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis.

(c) Federal Income Taxes

It is the policy of the Fund to distribute substantially all of its taxable income within the prescribed time and to otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income or excise taxes is believed necessary.

(d) Dividends and Distributions to Shareholders

The liability for dividends and distributions payable is recorded on the ex-dividend date.

(e) Market Risk

It is the Fund’s policy to invest the majority of its assets in convertible securities. Although convertible securities do derive part of their value from that of the securities into which they are convertible, they are not considered derivative financial instruments. However, certain of the Fund’s investments include features which render them more sensitive to price changes in their underlying securities. Thus they expose the Fund to greater downside risk than traditional convertible securities, but still less than that of the underlying common stock. The market value of those securities was \$16,820,295 at September 30, 2000, representing 15.4% of net assets.

Notes to Financial Statements (continued)

2. Management Fee and Other Transactions with Affiliates

The management fee is paid to the investment adviser, Davis-Dinsmore Management Company (the "Adviser"). The contract provides for payment of a monthly advisory fee, computed at an annual rate of $\frac{3}{4}$ of 1% of the first \$100,000,000 and $\frac{1}{2}$ of 1% of the excess over \$100,000,000 of the Fund's net asset value in such month. The annual fee is subject to reduction to the extent that the ordinary expenses of the Fund (excluding taxes and interest) exceed 1.5% of the first \$100,000,000 and 1% of the excess over \$100,000,000 of the average of the monthly net asset values of the Fund for the year.

The Adviser furnishes investment advice, office equipment and facilities, and pays the salaries of all executive officers of the Fund, except that the costs associated with personnel and certain non-personnel expenses of the office of the Treasurer, up to a maximum of \$25,000 a year, are reimbursed by the Fund. Such reimbursements amounted to \$25,000 for the year ended September 30, 2000. The officers of the Fund are also directors, officers or employees of the Adviser, and are compensated by the Adviser.

3. Capital Stock

At September 30, 2000 there were 9,233,538 shares of \$.01 par value common stock outstanding, (20,000,000 shares authorized). During the years ended September 30, 2000 and 1999, 828,352 shares and 726,685 shares were issued in connection with reinvestment of dividends from net investment income and capital gains, resulting in an increase in paid-in capital of \$7,092,766 and \$7,039,766 respectively. In 2000, 145,600 capital shares were purchased for \$1,266,763. The amount paid was 22% less than the net asset value of the shares.

A distribution of \$1.445 per share, derived from net investment income of 13 cents, and net realized gains on investments of \$1.315, was declared on October 16, 2000, payable November 29, 2000 to shareholders of record at the close of business October 26, 2000.

4. Portfolio Activity

Purchases and sales of investments, exclusive of corporate short-term notes, aggregated \$99,404,102 and \$105,798,734, respectively, for the year ended September 30, 2000.

Report of Independent Accountants

To the Shareholders and Board of Directors of Ellsworth Convertible Growth and Income Fund, Inc.

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments, and the related statements of operations and of changes in net assets, and the financial highlights, present fairly, in all material respects, the financial position of Ellsworth Convertible Growth and Income Fund, Inc. (the “Fund”) at September 30, 2000, the results of its operations for the year then ended, and the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Fund’s management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at September 30, 2000 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

New York, New York
October 13, 2000

Miscellaneous Notes

Automatic Dividend Investment and Cash Payment Plan

Shareholders may participate in our reinvestment plan whereby all dividends and distributions are automatically invested in additional Ellsworth shares at the current market price or net asset value, whichever is lower (but not less than 95% of market price). When the market price is lower, The Bank of NY (The “Bank”), as your agent, will combine your dividends with those of other Plan participants, and purchase shares in the market, thereby taking advantage of the lower commissions on larger purchases. There is no other charge for this service.

Plan participants may also voluntarily send cash payments of \$100 to \$10,000 per month to the Bank, to be combined with other Plan monies, for purchase of additional Ellsworth shares in the open market. You pay only a bank service charge of \$1.25 per transaction, plus your proportionate share of the brokerage commission. All shares and fractional shares purchased will be held by the Bank in your dividend reinvestment account.

At any time, you may instruct the Bank to sell all or any portion of your account. Also, you may deposit with the Bank any Ellsworth stock certificates you hold, for a one-time fee of \$7.50.

All registered shareholders are eligible to join the Plan. If your shares are held by a broker or other nominee, you should instruct the nominee to join the Plan on your behalf. Some brokers may require that your shares be taken out of the broker’s “street name” and re-registered in your own name.

To join the Plan, fill out and mail the authorization form located on pages 15 and 16 of this report.

Important Factors Regarding Forward-Looking Statements

Information contained within the letter to Shareholders constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements which reflect the intent, belief or expectations of the Company and its management regarding the anticipated effect of events, circumstances and trends should be considered forward-looking statements. These forward-looking statements are not guarantees of future performance and there are a number of meaningful factors which could cause the Company's results to vary materially from those indicated by any such statements. Factors which could cause actual results to differ from expectations include, among others, changes in individuals’ savings rates or investment choices, changes to social security investments, an increase in interest rates, inflation or taxes, changes to foreign and domestic markets and economies in general or changes to the market for convertible securities.

Miscellaneous Notes (continued)

Visit us on the Internet at www.ellsworthfund.com. The site provides information about the Fund including daily net asset values (NAV), historical dividends and press releases, as well as information about Davis-Dinsmore Management Company, the Fund adviser. In addition you can email us at info@bcvecf.com.

Ellsworth is a member of the Closed-End Fund Association (CEFA). Its website address is www.cefa.com. CEFA is solely responsible for the content of its website.

Due to changed market conditions since the inception of the Fund, the Directors revised one of its investment policies, as follows:

While investment in convertible securities remains the primary strategy, certain other investment techniques designed to enhance income and to hedge against market risk, such as engaging in options transactions, short sales, and lending of portfolio securities, which were originally considered of equal significance, should now be considered secondary policies.

The Company amended its bylaws during fiscal 2000 to include provisions for nominations of directors and proposals by shareholders. For nominations or other business to be properly brought before a meeting of shareholders, a shareholder must provide written notice to the secretary of the Company not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting. If a shareholder proposes to nominate an individual for election as a director, such notice must include the business experience of the individual and any other information that may be relevant to the Nominating and Administration Committee's decision of whether to nominate the individual. If the shareholder proposes to bring any other business before the meeting, such notice shall set forth a brief description of the business desired to be brought before the meeting and the shareholder's reasons for proposing such business.

This provision does not affect a shareholder's rights to submit a proposal for consideration for inclusion in the Company's proxy statement pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended.

Pursuant to Section 23 of the Investment Company Act of 1940, notice is hereby given that the Fund may in the future purchase shares of Ellsworth Convertible Growth and Income Fund, Inc. Common Stock from time to time, at such times, and in such amounts, as may be deemed advantageous to the Fund. Nothing herein shall be considered a commitment to purchase such shares.

Ellsworth Convertible Growth and Income Fund, Inc.
Automatic Dividend Investment and Cash Payment Plan
Plan and Authorization Form

The Bank of New York
Dividend Reinvestment
P.O. Box 1958,
Newark, NJ 07101-9774

I own, **registered in my name**. shares of Common Stock of Ellsworth Convertible Growth and Income Fund, Inc. (the "Company").

I wish to invest all the dividends and distributions paid by the Company on my shares automatically in additional shares from the date hereof until this arrangement is terminated as stated below. As a participant in this plan (the "Plan"), I may also wish to purchase additional shares of the Company through the Plan.

Authorization. You are authorized to act as my agent as follows:

A. Establish an Account in my name.

B. Take into my Account all dividends and distributions paid by the Company on all its Common Stock held in my name now or in the future and on all additional shares of the Company (including fractions) held by you in my Account.

C. In connection with any fiscal year-end capital gains distribution, take the distribution (and any dividends from net investment income payable with the distribution) in Common Stock at market price or net asset value, whichever is lower.

D. In connection with the Company's first three quarterly dividends in each fiscal year from net investment income (and any other dividends or distributions declared by the Company, other than those paid pursuant to paragraph C), take the dividend or distribution in Common Stock at net asset value if the net asset value as determined by the Company as of the close of business on the last trading day preceding the date of payment is lower than the closing market price of the Common Stock on the American Stock Exchange on that trading day, plus brokerage commissions. If the market price of the Common Stock is lower than its net asset value, take the dividend or distribution in cash and add it to my Account.

E. As soon as practicable after each cash payment is made to my Account in accordance with paragraph D above, use the funds in my Account to buy on the American Stock Exchange as many additional full shares of the Company's Common Stock (plus a fractional interest in one share computed to three decimal places) as are available at prices which are less than net asset value. If, before you have completed the purchase of all shares for the distribution at prices less than net asset value, the market price equals or exceeds the net asset value of such shares, then you shall pay the remaining proceeds of the distribution to the Company and take the balance of the distribution in shares of Common Stock at net asset value.

F. I understand that as a Plan participant I may also voluntarily purchase additional shares through the Plan by delivering a check payable to the Bank for at least \$100, but not more than \$10,000 in any month for deposit into my Account. Within 30 days, the Bank will combine all similar monies received and purchase Company shares in the open market. Checks drawn on foreign banks are subject to collection and collection fees and will be invested the next investment date after funds have been collected.

G. You may mingle the cash in my Account with similar funds of other stockholders of the Company for whom you act as agent under the Plan. The cost of the shares and any fractional interests you buy for my Account in connection with a particular dividend, distribution or cash purchase shall be determined by the average cost per share, including brokerage commission, of all shares bought by you for all shareholders for whom you act under the Plan in connection with that dividend, distribution or cash purchase.

H. Whenever you receive or purchase shares or fractional interests for my Account, you will send me confirmation of the transaction as soon as practicable. You will hold such shares and fractional interests as my agent in your name or the name of your nominee. Do not send me stock certificates for full shares until I so request in writing or until my Account is terminated as stated below. You will vote any shares so held for me in accordance with any proxy returned to the Company by me in respect of the shares of which I am a record owner.

I. I may instruct you at any time to liquidate all or any portion of the shares of the Company then held in my Account. I understand that the Bank will combine all liquidation requests it receives from Plan participants on a particular day and will then sell shares of the Company that are subject to liquidation requests in the open market. The amount of proceeds I receive shall be determined by the average sales price per share, after deducting brokerage commissions, of all shares sold by you for all Plan participants who have given you liquidation requests.

(over)

J. I understand that there is presently no service charge for you serving as my agent and maintaining my Account, except that my Account will be charged a \$1.25 service fee for each cash purchase transaction on my behalf pursuant to paragraph F. You may, in addition, charge me for extra services performed at my request. I further understand that the Company reserves the right to amend the Plan in the future to impose an additional service charge.

K. As a Plan participant I may deposit with the Bank Common Stock certificates of the Company that I now hold, to be added to my Account. A one-time fee of \$7.50 is charged for this service.

L. You will be liable only for willful misconduct or gross negligence in acting as my agent under the Plan.

Name and Address. My name as shown on my Common Stock certificate or certificates (including all names if more than one) and my address, are as follows:

Please Print:

NAME OR NAMES
(print names exactly as on stock certificate)

NUMBER AND STREET

CITY, STATE AND ZIP CODE

SOCIAL SECURITY NUMBER

Stock Certificates. I understand that if I hold more than one Common Stock certificate registered in similar but not identical names or if more than one address is shown for me on the Company's Common Stock records, all my shares of Common Stock must be put into the same name and address if all of them are to be covered by one Account. I understand that additional shares subsequently acquired by me otherwise than through the Plan will be covered by my Account if and when they are registered in the same name and address as the shares in my Account.

Income Tax. I understand that participation in the Plan for automatic investment of dividends and distributions and cash purchase of shares does not relieve me of any income tax which may be payable by me on such dividends and distributions and on expenses incurred by the Company on my behalf.

Amendments and Change of Agent. I understand that the company may amend the terms of the Plan and reserves the right to change the agent which acts for all participants in the Plan at any time by giving written notice thereof to each participant at his address as shown on your records. Any such change shall be effective as to all dividends and distributions payable to shareholders of record on any date more than 30 days after mailing of such notice and shall be effective 30 days after the mailing of such notice as to cash purchases. Further, I understand that the Company in connection with any dividend or distribution will change the price at which shares of its Common Stock are issued to participants in the Plan if the net asset value of the shares is less than 95% of the market price of such shares on the last trading day preceding the payment date of any distribution of net investment income or net capital gain, unless the Board obtains a legal opinion from independent counsel that the purchase of shares at net asset value under these circumstances will not have a material adverse effect upon the federal income tax liability of the Company. The Board may not authorize issuance of shares offered to Plan participants only, if such issuance is at a price less than net asset value, without the prior specific approval of the Company's stockholders or of the Securities and Exchange Commission.

Termination. I may terminate my Account at any time by delivering written notice to you prior to the record date of any dividend or distribution requesting either liquidation or a stock certificate. I understand that you or the Company may terminate all authorizations for any reason at any time by sending written notice addressed to participants at their address as shown on your records, such termination to be effective as to all dividends and distributions payable to stockholders of record on any date more than 30 days after mailing of such notice and shall be effective 30 days after the mailing of such notice as to cash purchases. Following the date of termination, you shall send me at my address shown on your records either the proceeds of liquidation, or a stock certificate or certificates for the full shares held by you in my Account and a check for the value of any fractional interest in my Account based on the market price of the Company's Common Stock on that date.

Signature(s) Date
(if shares are in more than one name, all must sign.)

.....
(over)

Board of Directors

GORDON F. AHALT	<i>Petroleum Consultant</i>
WILLIAM A. BENTON	<i>Retired Stock Exchange Specialist</i>
ELIZABETH C. BOGAN	<i>Senior Lecturer in Economics at Princeton University</i>
THOMAS H. DINSMORE, C.F.A.	<i>Chairman of the Board of Ellsworth</i>
DONALD M. HALSTED, JR.	<i>Investor</i>
GEORGE R. LIEBERMAN	<i>Retired Advertising Executive</i>
DUNCAN O. MCKEE	<i>Retired Attorney</i>
JANE D. O'KEEFFE	<i>President of Ellsworth</i>
NICOLAS W. PLATT	<i>Public Relations Executive</i>

Officers

THOMAS H. DINSMORE	<i>Chairman of the Board</i>
JANE D. O'KEEFFE	<i>President</i>
SIGMUND LEVINE	<i>Senior Vice President and Secretary</i>
H. TUCKER LAKE	<i>Vice President, Trading</i>
GERMAINE M. ORTIZ	<i>Vice President</i>
GARY I. LEVINE	<i>Treasurer and Assistant Secretary</i>
MERCEDES A. PIERRE	<i>Assistant Treasurer</i>

Internet

<http://www.ellsworthfund.com>
email: info@bcvecf.com

Investment Adviser

Davis-Dinsmore Management Company
65 Madison Avenue, Morristown, NJ 07960-7308
(973) 631-1177


Shareholder Services and Transfer Agent

The Bank of New York
Shareholder Relations Department-11E
P.O. Box 11258, Church Street Station
New York, NY 10286-1258
(800) 432-8224
<http://stkxfer.bankofny.com>

Common Stock Listing

American Stock Exchange Symbol: ECF

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND, INC.
65 MADISON AVENUE
MORRISTOWN, NEW JERSEY 07960

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