

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

BOULDER GROWTH & INCOME FUND
Form N-CSR
January 27, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-02328

BOULDER GROWTH & INCOME FUND, INC.

(Exact name of registrant as specified in charter)

Fund Administrative Services
1680 38th Street, Suite 800
BOULDER, CO 80301

(Address of principal executive offices) (Zip code)

Fund Administrative Services
1680 38th Street, Suite 800
BOULDER, CO 80301

(Name and address of agent for service)

registrant's telephone number, including area code: 303-444-5483

Date of fiscal year end: NOVEMBER 30, 2003

Date of reporting period: NOVEMBER 30, 2003

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 comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

BOULDER GROWTH & INCOME FUND, INC.

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Annual Report

November 30, 2003

Dear Shareholder:

For the fiscal one-year period ending November 30, 2003, the Boulder Growth & Income Fund's total return on net asset value was 2.4%. The S&P 500 index was up 15.1% over the same period. Why such underperformance in the Fund? It wasn't underperformance of our stocks - it was "dilution" of the NAV resulting from the December 2002 rights offering. If we ever under perform the market by that much, we won't try and gloss over it - we'll explain where and why we made the mistakes.

Back in December 2002, the Fund conducted a one-for-one rights offering in which one new share was issued for each share outstanding at a substantial discount to the NAV on the expiration date of the offering. The new shares were issued to participating shareholders at \$4.34 per share on December 20, 2002, when the Fund's NAV was \$6.35. When the new shares were issued and the offering proceeds collected, the NAV immediately re-calculated to \$5.35. This CHANGE in NAV is considered dilution. The Fund's total return for the 12 months, INCLUDING THIS DILUTION, was the 2.4%. However, if you fully exercised your rights in the offering you didn't experience this dilution (except for a very small amount related to the offering expenses). In fact you were able to double your position in the Fund by buying the new shares at the discounted price of \$4.34 which, when averaged with the Fund's pre-offering NAV of \$6.35, resulted in the "re-calculated" NAV of \$5.35, with no "net" loss in NAV to shareholders who participated. Those who chose to sell their rights, rather than exercise them, recovered part of the dilution from the sale of the rights. It is important to understand that this dilution will have a permanent effect on all of the Fund's NAV performance comparisons that involve periods starting before and ending after December 20, 2002. The comparisons shown in the future will always understate the NAV performance realized by those who fully exercised their rights or sold them.

Probably a better comparison of how we performed as Advisers to the Fund is to look at the calendar year-to-date - that is, from January 1, 2003 through November 30, 2003, which excludes the effect of the rights offering. For this period, the Fund's total return (after all expenses) on NAV was 25.2%, which compares quite favorably to the S&P 500 index over the same 11-month period of 22.3%. Take a look at Exhibit 1 immediately following this letter for more comparable returns of the Fund.

We've been managing the Boulder Growth & Income Fund for about 22 months now. The Fund owns stock in 43 companies. We'd prefer to own more of what we like than to buy dozens of stocks thereby settling for less than the cream of the crop. We own more stocks now than we would typically expect to own, because after establishing each position, we determined we would buy more if the price went down. In almost every case, the price went up and our discipline prevented us from buying more. It was pleasant to get the gain in our value, but it precluded us from having as large a position as we would have liked in most of our holdings. Of the 43 companies we own, 22 of them are real estate investment trusts ("REITs"). The Fund purchased the REITs primarily for the dividends they pay. We don't expect the REITs to produce significant valuation increases unless inflation rears its ugly head. The portfolio turnover rate, which measures the rate of buying and selling, was 40% in fiscal 2003. This is far lower than what you'll see in most funds, but probably higher than what our typical year would be. The turnover rate was higher this year due to the significant proceeds from the rights offering in December 2002. Putting that money to work through purchases counts as 'portfolio turnover.' Nonetheless, you'd be hard-pressed to find somebody labeling us "gunslingers."

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Interest rates continue to remain at historical lows. This bodes well for the Fund since it gets to take advantage of paying a low rate of interest on its \$20 million of leverage. The Fund was leveraged with a \$20 million loan in April 2003, which has worked out quite well for shareholders. About 30% of the proceeds from the \$20 million loan were used to purchase additional shares of Berkshire Hathaway, and the rest was slowly put to work as opportunities presented themselves.

The Fund is limited to no more than 25% of its total assets in any one security (at the time of purchase), and adding the \$20 million gave us this opportunity to buy more Berkshire. From mid-April through the first week in July, we were able to add 85 more Berkshire `A' shares at an average price of \$71,330 per share, for a total cost of \$6.06 million. At the end of November Berkshire Hathaway `A' shares were at \$83,750 per share, giving the Fund an unrealized gain of just over \$1 million on those 85 shares. In all, the Fund owns 310 Berkshire `A' shares, comprising over 27% of the Fund's total net assets (including leverage). Insurance companies have performed well the last year, and the two main insurance subsidiaries of Berkshire, GEICO and General Re, are two of the best-run insurance companies you'll find. They've certainly added value to our Berkshire holdings.

We were patient with the remainder of the proceeds from the leverage, and took advantage of buying what we think are quality companies at good prices. You'll recognize some of the names like Pepsi Bottling, Maytag, Pfizer, Sara Lee, and Eastman Kodak. Some you may not have heard of are Federated Investors, First American Corp., Fidelity National, AON Corporation, and Torchmark. We like the long-term outlook for all of these companies. We expect that 5 or 10 years down the road, we'll be able to look back in hindsight and say, "the market afforded us the opportunity to buy these successful companies back in 2003 at very reasonable prices."

If you're a reader of any newspaper's business section, you've certainly read about the scandals in the mutual fund industry. A few open-end mutual funds allowed large institutional investors, including hedge funds, to invest in their mutual funds based on the closing price AFTER the close of the market, which they would do on occasions when positive news was released AFTER the close that would have a positive impact on the NAV. Simply put, they were sneaking in for a midnight snack while the long-term investors were sleeping snugly in their beds. It wasn't that the mutual fund operators were asleep at the switch. In fact, they were leaving the door open with a sign that said, "Come on in!" This practice was clearly illegal. In addition, there have been reports of other abuses including time-zone arbitrage and paying excessive commissions out of owners' money to those brokers who provided benefits to the adviser. These practices involved only `open-end' mutual funds. Your Fund is a closed-end fund that trades on the NYSE. We never have, nor will we ever be, party to such shenanigans. New York attorney general Eliot Spitzer (a.k.a. Eliot Ness) has put an end to the after-market trading. A good guess would be his next target might be soft dollars, which are currently perfectly legal, but probably shouldn't be. This is another way an adviser benefits while the fund owners pay the expense. Your Fund does not have any soft-dollar arrangements, nor will it seek soft dollar arrangements in the future. While BIF shareholders have not suffered any costs from the issues discussed above, all the new regulations that are being proposed to curb these abuses will almost certainly increase your costs when we are forced to comply with them.

The Fund declared and paid a 2 1/2 cent dividend per share payable on December 31, 2003. The REITs that the Fund owns generally had a higher than average `Return of Capital' component to the dividends they paid in '03, and that is not distributable income. Since REITs make up the lion's share of our income producing securities, the dividend was reduced.

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Our website at WWW.BOULDERFUNDS.NET is an excellent source for information on the Fund. If you've lost your annual report, or want to read an old one, it's available on the site. You will also find information about the Boulder Growth & Income's sister fund - the Boulder Total Return Fund.

/S/ STEWART R. HOREJSI

Stewart R. Horejsi
December 23, 2003

NOTHING IN THIS ANNUAL REPORT SHOULD BE CONSIDERED AS INVESTMENT ADVICE. THIS LETTER EXPLAINS THE MANAGERS' VIEWS AS OF ITS DATE, WHICH MAY HAVE SUBSEQUENTLY CHANGED.

2

BOULDER GROWTH & INCOME FUND, INC.

EXHIBIT 1 (UNAUDITED)

TOTAL RETURNS FOR THE PERIODS ENDING NOVEMBER 30

MOST RECENT	BIF NAV	S&P 500 INDEX	DOW JONES INDUSTRIAL AVERAGE	NASDAQ COMPOSITE
3 Months*	9.0%	5.5%	4.5%	8.4%
6 Months*	17.1%	10.8%	11.8%	23.1%
1 Year	2.4%	15.1%	12.6%	33.2%
Since 1/02**	-9.0%	-4.2%	-2.10%	-7.3%

* Annualized

** Annualized since January 23, 2002, the date the current Advisers became the investment advisers to the Fund.

EXHIBIT 2 (UNAUDITED)

CHANGE IN PRINCIPAL VALUE OF ASSET CLASSES 11/30/2002 TO 11/30/2003

		COMMON STOCK INVESTMENT		
		REITS	INDUSTRIALS	BONDS/ FOREIGN ST PREFERRED
Beginning Market Value.....	11/30/02	\$ 6,971,293	\$ 27,378,690	\$ 1,920,000
Cost of Purchases.....	12/1/02- 11/30/03	25,267,001	33,497,784	-
Proceeds from Sales.....	12/1/02- 11/30/03	9,294,154	10,638,333	2,180,000
Net Purchases/(Sales).....		15,972,847	22,859,451	(2,180,000)
Beginning Market Value Plus Net Purchases/(Sales).....		22,944,140	50,238,141	(259,000)

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Net Appreciation		5,982,155	7,513,549	366
Ending Market Value.....	11/30/03	28,926,295	57,751,690	107
Number of Issues Held.....	11/30/03	22	21	
Cash and Other Assets and Liabilities.....				
Total Net Assets (including \$20,000,000 leverage)				

The information in the table below is unaudited.

FINANCIAL DATA

	PER SHARE OF COMMON STOCK			PER SHARE OF COMMON STOCK	
	NET ASSET VALUE	NYSE CLOSING PRICE		NET ASSET VALUE	NYSE CLOSING PRICE
12/31/2002	\$5.39	\$4.47	6/30/2003	\$5.97	\$5.15
1/31/2003	\$5.24	\$4.43	7/31/2003	\$5.98	\$5.22
2/28/2003	\$4.94	\$4.28	8/31/2003	\$6.10	\$5.14
3/31/2003	\$4.94	\$4.50	9/30/2003	\$6.15	\$5.30
4/30/2003	\$5.31	\$4.65	10/31/2003	\$6.31	\$5.34
5/31/2003	\$5.68	\$4.85	11/30/2003	\$6.65	\$5.50

3

BOULDER GROWTH & INCOME FUND, INC.

PORTFOLIO OF INVESTMENTS
NOVEMBER 30, 2003

DOMESTIC COMMON STOCKS - 111.9%	
BEVERAGES - 1.5%	Pepsi Bottling Group, Inc.
BUILDING MATERIALS - 4.0%	USG Corporation+o
DIVERSIFIED - 34.5%	Berkshire Hathaway Inc., Class A+o
FINANCIAL SERVICES - 8.5%	Federated Investors, Inc.
	H&R Block, Inc.
	MGIC Investment Corporationo
	Providian Financial Corporation+o
	TOTAL FINANCIAL SERVICES

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

FOOD-MISC/DIVERSIFIED	-	1.7%	Sara Lee Corporation
HOUSEHOLD FURNISHINGS & APPLIANCES	-	1.4%	Maytag Corporation
INDUSTRIAL	-	2.6%	Eastman Kodak Company
INSURANCE	-	6.3%	AON Corporation
			Fidelity National Financial, Inc.
			First American Corporation
			Torchmark Corporation
			TOTAL INSURANCE
PHARMACEUTICALS	-	9.3%	Bristol-Meyers Squibb Companyo
			Merck & Company, Inc.o
			Pfizer, Inc.
			TOTAL PHARMACEUTICALS
REITS	-	38.4%	Archstone-Smith Realty Trust
			Arden Realty Inc.
			AvalonBay Communities Inc.
			Boston Properties, Inc.
			Boykin Lodging Company
			Developers Diversified Realty Corporationo
			Equity Residential Properties Trust
			First Industrial Realty Trust, Inc.
			Gables Residential Trust
			Health Care Property Investors Inc.o
			Healthcare Realty Trust Inc.
			Hospitality Properties Trust
			HRPT Properties Trusto
			Liberty Property Trust
			Manufactured Home Communities, Inc.
			Pan Pacific Retail Properties, Inc.
			Prentiss Properties Trust
			Public Storage, Inc.
			Regency Centers Corporation
			Simon Property Group Inc.
			Thornburg Mortgage, Inc.
			Vornado Realty Trust
			TOTAL REITS
SAVINGS & LOAN COMPANIES	-	1.6%	Washington Mutual, Inc.
UTILITY	-	2.1%	TXU Corporationo

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

DOMESTIC COMMON STOCKS - (CONTINUED)	
TOTAL DOMESTIC COMMON STOCKS	
(Cost \$70,732,622)
FOREIGN COMMON STOCK - 3.3%**	
NETHERLANDS - 1.6%	Unilever NV, ADR
UNITED KINGDOM - 1.7%	Diageo PLC, Sponsored ADR
TOTAL FOREIGN COMMON STOCK	
(Cost \$2,126,381)
WARRANTS - 0.0%**	
	ONO Finance Certificate Warrant+
CORPORATE BONDS - 0.1%	
(Cost \$120,000)	
AIRLINES - 0.1%	American Airlines Inc., Pass-through Certificates, 7.800% due 10/01/06
U.S. TREASURY BILLS - 10.6%	
	0.942% due 01/02/04 ++
	0.906% due 12/04/03 ++
TOTAL U.S. TREASURY BILLS	
(Cost \$7,996,414)
REPURCHASE AGREEMENT - 1.0%	
(Cost \$755,000)	
	Agreement with PNC Capital Markets, 0.80% dated 11/28/03, to be repurchased at \$755,050 on 12/01/03, collateralized by \$750,000 U.S. Treasury Note, 3.00% due 02/29/04 (Value \$761,250)
TOTAL INVESTMENTS (COST \$81,730,417*) - 126.9%
OTHER ASSETS AND LIABILITIES - (26.9%)
NET ASSETS - 100.0%

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

BOULDER GROWTH & INCOME FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES

NOVEMBER 30, 2003

ASSETS:

Investments, at value (Cost \$81,730,417) (Note 1)	
See accompanying schedule	\$ 95,536,560
Cash	719
Dividends and interest receivable	140,066
Prepaid expenses	39,274

TOTAL ASSETS	95,716,619

LIABILITIES:

Loan payable to bank (Note 10)	\$20,000,000
Deferred compensation- director (Note 11)	133,100
Investment co-advisory fees payable (Note 2)	96,537
Legal and audit fees payable	52,430
Interest due on loan payable to bank (Note 10)	37,365
Administration fee payable (Note 2)	23,170
Accrued expenses and other payables	87,957

TOTAL LIABILITIES	20,430,559

NET ASSETS

	\$ 75,286,060
	=====

NET ASSETS consist of:

Undistributed net investment income	\$ 115,617
Accumulated net realized loss on investments sold	(21,298,983)
Unrealized appreciation of investments	13,806,143
Par value of Common Stock (Note 4)	113,278
Paid-in capital in excess of par value of Common Stock (Note 4)	82,550,005

TOTAL NET ASSETS	\$ 75,286,060

NET ASSET VALUE

(Net Asset Value, \$75,286,060/11,327,784 shares outstanding)	\$ 6.65
	=====

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

BOULDER GROWTH & INCOME FUND, INC.

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED NOVEMBER 30, 2003

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

INVESTMENT INCOME:		
Dividends		\$ 1,590,292
Interest		207,215

TOTAL INVESTMENT INCOME		1,797,507
EXPENSES:		
Investment co-advisory fees (Note 2)	\$884,867	
Interest on outstanding loan payable (Note 10)	277,251	
Administration fee (Note 2)	222,580	
Legal fees	76,208	
Directors fees and expenses (Note 2)	62,728	
Insurance expenses	39,207	
Printing fees	37,359	
Other	133,686	

TOTAL EXPENSES		1,733,886

NET INVESTMENT INCOME		63,621

REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS:		
Net realized loss on investments sold during the year		(8,075,680)
Change in unrealized appreciation of investments during the year		22,303,711

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS		14,228,031

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		\$14,291,652
		=====

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

7

BOULDER GROWTH & INCOME FUND, INC.

STATEMENT OF CHANGES IN NET ASSETS

	YEAR ENDED NOVEMBER 30, 2003	FIVE M PERIOD NOVEMBER 200
	-----	-----
OPERATIONS:		
Net investment income	\$ 63,621	\$ 12
Net realized loss on investments sold during the year	(8,075,680)	(2,70
Change in unrealized appreciation/(depreciation) of investments		
during the year	22,303,711	(62

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Net increase/(decrease) in net assets resulting from operations	14,291,652	(3,20
DISTRIBUTIONS:		
Dividends paid from net investment income to shareholders	(736,306)	
TOTAL DISTRIBUTIONS	(736,306)	
CAPITAL SHARE TRANSACTIONS		
Proceeds from Rights Offering (Note 8)	24,581,291	
Expenses incurred for Rights Offering (Note 8)	(159,614)	
NET INCREASE/(DECREASE) IN NET ASSETS FOR THE YEAR	37,977,023	(3,20
NET ASSETS:		
Beginning of period	37,309,037	40,51
End of period (undistributed net investment income of \$115,617 and distribution in excess of investment income of \$(108,468) ...	\$ 75,286,060	\$ 37,30

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

8

BOULDER GROWTH & INCOME FUND, INC.

FINANCIAL HIGHLIGHTS

FOR A COMMON SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

Contained below is per share operating performance data, total investment returns, ratios to average net assets and other supplemental data. This information has been derived from information provided in the financial statements and market price data for the Fund's shares.

	YEAR ENDED NOVEMBER 30, 2003	FIVE MONTH PERIOD ENDED NOVEMBER 30, 2002 (B)	----- 2002	----- YEAR ENDED 2001
OPERATING PERFORMANCE:				
Net asset value, beginning of year...	\$ 6.59	\$ 7.15	\$ 8.65	\$ 8.96
Net investment income/(loss).....	(0.03)	0.02	0.58	0.70
Net realized and unrealized gain/(loss) on investments.....	1.23	(0.58)	(1.49)	(0.31)
Total from investment operations.....	1.20	(0.56)	(0.91)	0.39
DISTRIBUTIONS:				
Dividends paid from net investment income to shareholders.....	(0.07)	--	(0.59)	(0.70)

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Total distributions.....	(0.07)	--	(0.59)	(0.70)
	-----	-----	-----	-----
Anti-Dilutive/(Dilutive) Impact of the Rights Offering ++.....	(1.07)	--	--	--
Net asset value, end of year.....	\$ 6.65	\$ 6.59	\$ 7.15	\$ 8.65
	=====	=====	=====	=====
Market value, end of year.....	\$ 5.50	\$ 5.22	\$ 6.78	\$ 8.50
	=====	=====	=====	=====
Total investment return based on net asset value	2.37% (a)	(7.83)% (a)	(11.36)% (a)	4.41% (a)
	=====	=====	=====	=====
Total investment return based on market value	6.89% (a)	(23.01)% (a)	(14.47)% (a)	11.77% (a)
	=====	=====	=====	=====
RATIOS AND SUPPLEMENTAL DATA:				
Ratio of expenses to average net assets	1.93%	4.40%	1.95%+	1.82%+
Ratio of expenses including interest expense to average net assets..	2.30%	--	--	--
Ratio of net investment income to average net assets.....	0.08%	0.79%	6.96%	8.03%
SUPPLEMENTAL DATA:				
Portfolio turnover rate.....	40%	21%	180%	83%
Net assets, end of year (in 000's)...	\$ 75,286	\$ 37,309	\$ 40,514	\$ 48,990
Number of shares outstanding at end of year (in 000's).....	11,328	5,664	5,664	5,664

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

9

BOULDER GROWTH & INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Boulder Growth & Income Fund, Inc. (the "Fund"), is registered under the Investment Company Act of 1940, as amended, as a closed-end, non-diversified management investment company. The policies described below are followed consistently by the Fund in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America.

PORTFOLIO VALUATION: The net asset value of the Fund is determined by the Fund's administrator no less frequently than on the last business day of each week and month. It is determined by dividing the value of the Fund's net assets by the number of shares of Common Stock outstanding. The value of the Fund's net assets is deemed to equal the value of the Fund's total assets less the Fund's liabilities. Securities listed on a national securities exchange are valued on the basis of the last sale on such exchange or the NASDAQ Official Close Price ("NOCP") on the day of valuation. In the absence of sales of listed securities and with respect to securities for which the most recent sale prices are not deemed to represent fair market value and unlisted securities (other than money market instruments), securities are valued at the mean between the closing bid and asked prices, or based on a matrix system which utilizes information (such as credit ratings, yields and maturities) from independent sources. Investments for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

of the Fund, including reference to valuations of other securities which are considered comparable in quality, maturity and type. Investments in money market instruments, which mature in 60 days or less at the time of purchase, are valued at amortized cost.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded as of the trade date. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded on ex-dividend dates. Interest income is recorded on the accrual basis, with premiums and discounts being amortized or accreted, respectively.

REPURCHASE AGREEMENTS: The Fund may engage in repurchase agreement transactions. The Fund's Management reviews and approves periodically the eligibility of the banks and dealers with which the Fund enters into repurchase agreement transactions. The value of the collateral underlying such transactions is at least equal at all times to the total amount of the repurchase obligations, including interest. The Fund maintains possession of the collateral and, in the event of counterparty default, the Fund has the right to use the collateral to offset losses incurred. There is the possibility of loss to the Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities.

DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS: Dividends from net investment income, if any, are declared and paid annually. Distributions to shareholders are recorded on the ex-dividend date. Any net realized short-term capital gains will be distributed to shareholders at least annually. Any net realized long-term capital gains may be distributed to shareholders at least annually or may be retained by the Fund as determined by the Fund's Board of Directors. Capital gains retained by the Fund are subject to tax at the corporate tax rate. Subject to the Fund qualifying as a registered investment company, any taxes paid by the Fund on such net realized long-term gains may be used by the Fund's Shareholders as a credit against their own tax liabilities.

FEDERAL INCOME TAXES: The Fund intends to qualify as a registered investment company by complying with the requirements under subchapter M of the Internal Revenue Code of 1986, as amended, applicable to RICs and intends to distribute substantially all of its taxable net investment income to its shareholders. Therefore, no Federal income tax provision is required.

Income and capital gain distributions are determined and characterized in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences are primarily due to (1) differing treatments of income and gains on various investment securities held by the Fund, including timing differences, (2) the attribution of expenses against certain components of taxable investment income, and (3) federal regulations requiring proportional allocation of income and gains to all classes of Shareholders. The Internal Revenue Code of 1986, as amended, imposes a 4% nondeductible excise tax on the Fund to the extent the Fund does not distribute by the end of any calendar year at least (1) 98% of the sum of its net investment income for that year and its capital gains (both long term and short term) for its fiscal year and (2) certain undistributed amounts from previous years.

OTHER: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

CHANGE IN ACCOUNTING POLICIES: Cash distributions received from the Fund's investment in real estate investment trusts ("REITs") and registered investment companies ("RICs") are recorded as income. A portion of these distributions are

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

returns of capital. Historically, the Fund has estimated the return of capital portion of the distribution and recorded such as a realized gain and then trued up the estimate to reflect the actual amount once known. To comply with the AICPA Accounting Guide for Investment Companies, the Fund now accounts for returns of capital as unrealized gains and adjusts the cost basis of the securities. As of November 30, 2003, all accumulated net realized gains relating to returns of capital from REIT distributions have been reclassified to unrealized gain.

10

BOULDER GROWTH & INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS--(CONTINUED)

2. INVESTMENT CO-ADVISORY FEES, DIRECTORS' FEES, ADMINISTRATION FEE, CUSTODY FEE AND TRANSFER AGENT FEE

Boulder Investment Advisers, L.L.C. ("BIA") and Stewart Investment Advisers ("SIA") serve as the Fund's Co-Investment Advisers ("Advisers"). The Fund pays the Advisers a monthly fee at an annual rate of 1.25% of the value of the Fund's average monthly net assets. The equity owners of BIA are Evergreen Atlantic, LLC, a Colorado limited liability company ("EALLC"), and the Lola Brown Trust No. 1B (the "Lola Trust"), each of which is considered to be an "affiliated person" of the Fund as that term is defined in the 1940 Act. Stewart West Indies trading Company, Ltd. is a Barbados international business company doing business as Stewart Investment Advisers. SIA receives a monthly fee equal to 75% of the fees earned by the Advisers, and BIA receives 25% of the fees earned by the Advisers. The equity owner of SIA is the Stewart West Indies Trust, considered to be an "affiliated person" of the Fund as that term is defined in the 1940 Act. The Advisers agreed to waive one half of their fee on the proceeds from the December 2002 rights offering, and on the proceeds from the \$20 million Line of Credit with Custodial Trust Company of Bear Stearns on April 16, 2003, until such time as more than 50% of the respective proceeds plus cash on hand at the time the proceeds were received, are invested, which has since then occurred.

Fund Administrative Services, LLC ("FAS") serves as the Fund's Administrator. Under the Administration Agreement, FAS provides certain administrative and executive management services to the Fund including: providing the Fund's principal offices and executive officers, overseeing and administering all contracted service providers, making recommendations to the Board regarding policies of the Fund, conducting shareholder relations, authorizing expenses and other administrative tasks. Under the Administration Agreement, the Fund pays FAS a monthly fee, calculated at an annual rate of 0.30% of the value of the Fund's average monthly net assets out of which FAS is required to pay any fees for outsourcing any administrative, custodial or transfer agency services, which it has done. The equity owners of FAS are EALLC and the Lola Trust, each of which is a shareholder of the Fund and considered to be an "affiliated person" of the Fund as that term is defined in the 1940 Act.

Effective October 15, 2003, the Fund pays each Director who is not a director, officer or employee of the Advisers or FAS a fee of \$8,000 per annum, plus \$3,000 for each in-person meeting of the Board of Directors and \$500 for each telephone meeting. In addition, the Chairman of the Board and the Chairman of the Audit Committee receive \$1,000 per meeting and each member of the Audit Committee receives \$500 per meeting. Prior to October 15, 2003, the Fund paid each Director who is not a director, officer or employee of the Advisers or FAS a fee of \$3,000 for each in-person meeting of the Board of Directors and \$500 for each telephone meeting. In addition, the Fund will also reimburse all Directors for travel and out-of-pocket expenses incurred in connection with such meetings.

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

FAS has hired PFPC Inc. ("PFPC"), an indirect, majority-owned subsidiary of The PNC Financial Services Group Inc., to serve as the Fund's Sub-administrator. As Sub-administrator, PFPC calculates the net asset value of the Fund's shares and generally assists in all aspects of the Fund's administration and operation. Effective September 2, 2003, PFPC serves as the Fund's Transfer Agent. Prior to September 2, 2003, Mellon Investor Services, LLC, served as the Fund's Transfer Agent. FAS pays PFPC a fee on a monthly basis based on average net assets. PFPC Trust Company, an indirect subsidiary of The PNC Financial Services Group Inc., serves as the Fund's Custodian. As compensation to PFPC Trust Company, FAS pays PFPC Trust Company a monthly fee based on the Fund's monthly gross assets.

3. PURCHASES AND SALES OF SECURITIES

Cost of purchases and proceeds from sales of securities for the year ended November 30, 2003, excluding short-term investments, aggregated \$61,275,085 and \$24,716,980 respectively.

At November 30, 2003, aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost was \$12,861,408 and aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value was \$767,372.

4. COMMON STOCK

At November 30, 2003, 250,000,000 of \$0.01 par value Common Stock were authorized.

5. PORTFOLIO INVESTMENTS, CONCENTRATION AND INVESTMENT QUALITY

The Fund operates as a "non-diversified" investment company, as defined in the 1940 Act. As a result of being "non-diversified", with respect to 50% of the Fund's portfolio, the Fund must limit to 5% the portion of its assets invested in the securities of a single issuer. There are no such limitations with respect to the balance of the Fund's portfolio, although no single investment can exceed 25% of the Fund's total assets at the time of purchase. A more concentrated portfolio may cause the Fund's net asset value to be more volatile than it has been historically and thus may subject shareholders to more risk. The Fund may hold a substantial position (up to

11

BOULDER GROWTH & INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS--(CONTINUED)

25% of its assets) in the common stock of a single issuer. As of November 30, 2003, the Fund held a significant position in Berkshire Hathaway, Inc., and thus, the volatility of the Fund's common stock, and the Fund's net assets value and its performance in general, depends disproportionately more on the performance of this single issuer than that of a more diversified fund.

At the April 2003 shareholder meeting, Shareholders approved a proposal that permits the Fund to be concentrated in REITs (real estate investment trusts). REITs are securities of companies whose primary objective is investment in real property or providing services to real property interests. The Fund must invest at least 25% of its assets in REIT securities. The Fund intends to invest in REIT securities primarily for income. Risks associated with investing in REITs include the potential for loss of value if there is an underlying decline in value of the properties in which the REIT invests. Property valuations may rise and fall with either local economic conditions or with the national

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

economy. Furthermore, the dividend income paid by a REIT may be reduced or eliminated. In addition, the Fund bears its ratable share of REIT expenses while still paying management fees on the Fund assets so invested.

The Fund intends to concentrate its common stock investments in a few issuers and to take large positions in those issuers, consistent with being a "non-diversified" fund. As a result, the Fund is subject to a greater risk of loss than a diversified fund or a fund that has diversified its investments more broadly. Taking larger positions is also likely to increase the volatility of the Fund's net asset value reflecting fluctuation in the value of large Fund holdings. Under normal market conditions, the Fund intends to invest at least 80% of its net assets in common stocks. Common stocks include dividend-paying closed-end funds and REITs. The portion of the Fund's assets that are not invested in common stocks may be invested in fixed income securities and cash equivalents. The term "fixed income securities" includes RICs whose objective is income, REITs, bonds, U.S. Government securities, notes, bills, debentures, preferred stocks, convertible securities, bank debt obligations, repurchase agreements and short-term money market obligations.

6. SIGNIFICANT SHAREHOLDERS

On November 30, 2003, trusts and other entities affiliated with the Horejci family owned 2,354,600 shares of Common Stock of the Fund, representing approximately 20.79% of the total Fund shares.

7. TAX BASIS DISTRIBUTIONS

Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. The character of distributions paid on a tax basis during the year ending November 30, 2003 and the five month period ended November 30, 2002 is as follows:

	YEAR ENDING NOVEMBER, 2003 ----	PERIOD ENDED NOVEMBER, 2002 ----
Distributions paid from:		
Ordinary Income	\$ 736,306	\$ 0
Short-Term Capital Gain	--	--
Long-Term Capital Gain	--	--
	-----	-----
	\$ 736,306	\$ 0
	=====	=====

As of November 30, 2003, the components of distributable earnings on a tax basis were as follows:

Ordinary Income	\$ 248,717
Unrealized Appreciation	12,094,036

	\$12,342,753
	=====

The Fund had available for tax basis distributions purposes accumulated capital and other losses of \$19,586,876, of which \$1,114,468 will expire on 11/30/2008, \$9,936,275 will expire on 11/30/2010 and \$8,536,133 will expire on 11/30/2011.

Net investment income and realized gain and loss for federal income tax purposes differ from that reported in the financial statements because of permanent and temporary book and tax differences. These differences are

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

primarily related to differing treatment of long-term capital gains dividends and excess ordinary distributions received from Real Estate Investment Trusts and wash sales. Permanent book and tax basis difference of \$416,193 and \$(416,193) were reclassified at November 30, 2003 between undistributed net investment income and accumulated net realized loss on investments, respectively, for the Boulder Growth & Income Fund, Inc.

12

BOULDER GROWTH & INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS--(CONTINUED)

8. SHARE REPURCHASE PROGRAM:

In accordance with Section 23(c) of the Investment Company Act of 1940, as amended, the Fund hereby gives notice that it may from time to time repurchase shares of the Fund in the open market at the option of the Board of Directors and upon such terms as the Directors shall determine.

9. RIGHTS OFFERING

On October 15, 2002 the Fund's shareholders approved a transferable rights offering which would permit shareholders to acquire one new share of the Fund for each share held. The rights were transferable, which allowed shareholders who did not wish to exercise their rights to sell them on the New York Stock Exchange. The record date for determining shareholders eligible to participate in the rights offering was November 29, 2002. The subscription period was from December 2, 2002 to December 20, 2002. The Market price for the shares issued through the rights offering was calculated based on the volume-weighted average closing price of the Fund's shares from December 16 through December 20, 2003. The rights offering was fully subscribed and the Fund issued 5,663,892 new shares at a price of \$4.34 each. The total gross proceeds to the Fund were \$24,581,291. As of November 30, 2003, the expense associated with the rights offering totaled \$159,614.

10. LOAN OUTSTANDING

On February 21, 2003 an agreement between the Fund and the Custodial Trust Company of Bear Stearns was reached, in which the Fund may borrow from the Custodial Trust Company an aggregate amount of up to the lesser of \$20,000,000 or the maximum amount the Fund is permitted to borrow under the Investment Company Act of 1940. At November 30, 2003, the Fund had a loan payable in the amount of \$20,000,000 with an interest rate of 2.1188%, calculated at a rate per annum during each Interest Period equal to 30-day LIBOR on the Interest Commencement Date of such Interest Period plus 1%. This loan has no maturity date and can be paid or called at any time.

11. DEFERRED COMPENSATION

At November 30, 2003, the Fund had a deferred compensation liability to a former Director of the Fund which totaled \$133,100 including any accrued interest.

ADDITIONAL INFORMATION (UNAUDITED)

PRIVACY STATEMENT

Pursuant to SEC Regulation S-P (Privacy of Consumer Financial Information) the Directors of the Boulder Growth & Income Fund, Inc. have established the following policy regarding information about the Fund's shareholders. We

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

consider all shareholder data to be private and confidential, and we hold ourselves to the highest standards in its safekeeping and use. The Fund collects nonpublic information (e.g., your name, address, Social Security Number, Fund holdings) about shareholders from transactions in Fund shares. The Fund will not release information about current or former shareholders (except as permitted by law) unless one of the following conditions is met: (i) we receive your prior written consent; (ii) we believe the recipient to be you or your authorized representative; or (iii) we are required by law to release information to the recipient. The Fund has not and will not in the future give or sell information about its current or former shareholders to any company, individual, or group (except as permitted by law). The Fund will only use information about its shareholders as necessary to service or maintain shareholder accounts in the ordinary course of business. Internally, we also restrict access to shareholder personal data to those who have a specific need for the records. We maintain physical, electronic and procedural safeguards that comply with Federal standards to guard your personal data.

TAX INFORMATION

Of the ordinary income (including short-term capital gain) distributions made by the Fund during the fiscal year ended November 30, 2003, 78.30% qualify for the dividend received deduction available to shareholders.

For the fiscal year ended November 30, 2003, 100% of the taxable investment income qualifies for the 15% dividend tax rate as of January 1, 2003. The above tax information represents fiscal year end percentages and may differ from those provided to shareholders at calendar year end as dividend income earned by the Fund prior to January 1, 2003 does not qualify for the reduced tax rate.

13

BOULDER GROWTH & INCOME FUND, INC.

REPORT OF INDEPENDENT ACCOUNTANTS

The Board of Directors and Shareholders
Boulder Growth & Income Fund, Inc.

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments of the Boulder Growth & Income Fund, Inc., as of November 30, 2003, and the related statements of operations for the year then ended, and the statements of changes in net assets and financial highlights for the year then ended, the five months ended November 30, 2002 and the year ended June 30, 2002. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for each of the years in the four-year period ended June 30, 2001 were audited by other auditors whose report dated August 1, 2001 expressed an unqualified opinion on those statements and financial highlights.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of November 30, 2003 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Boulder Growth & Income Fund, Inc. as of November 30, 2003, and the results of its operations, changes in its net assets, and financial highlights for each of the years or periods described above in conformity with accounting principles generally accepted in the United States of America.

/S/ KPMG LLP

Boston, Massachusetts
January 2, 2004

14

BOULDER GROWTH & INCOME FUND, INC.

INFORMATION ABOUT DIRECTORS AND OFFICERS

Set forth in the following table is information about the Directors of the Fund, together with their address, age, position with the Fund, term of office, length of time served and principal occupation during the last five years.

NAME, ADDRESS*, AGE	POSITION, LENGTH OF TERM SERVED, AND TERM OF OFFICE	PRINCIPAL OCCUPATION(S) AND OTHER DIRECTORSHIPS HELD DURING THE PAST FIVE YEARS
<hr/>		
DISINTERESTED DIRECTORS		
<hr/>		
ALFRED G. ALDRIDGE, JR. BRIG. GEN. (RETIRED) CAL. AIR NATIONAL GUARD Age: 66	Director of the Fund since January 2002. Current term expires at Annual Meeting for 2004	Retired; from 1982-2002, Sales Manager of Shamrock Foods Company; Director of the Fiesta Bowl, Tempe since 1997; Director, Boulder Total Return Fund, Inc., since 1999.
<hr/>		
RICHARD I. BARR Age: 65	Director of the Fund since January 2002. Current term expires at Annual Meeting for 2004	Retired; from 1963-2001, Manager of Advantage Sales and Marketing, Inc. Director and Chairman of the Board Boulder Total Return Fund, Inc., since 1999; Director, First Financial Fund, Inc., since 2001.
<hr/>		
JOEL W. LOONEY Age: 41	Director of the Fund since January, 2002. Current term expires at Annual Meeting for 2006	Partner, Financial Management Group LLC since July 1999; Director, Boulder Total Return Fund, Inc., since Jan 2001; Director and Chairman of the First Financial Fund, Inc. since A
<hr/>		
INTERESTED DIRECTORS**		
<hr/>		
SUSAN L. CICIORA	Director of the Fund	Owner, Superior Interiors (interior

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Age: 39	since January 2002. Current term expires at Annual Meeting for 2006	design for custom homes) since 1999 Corporate Secretary, Ciciora Custom Builders, LLC since 1995; Trustee Brown Trust and the EH Trust; Director Boulder Total Return Fund, Inc., since November 2001; Director, First Financial Fund, Inc. since Aug. 2003.
---------	--	--

STEPHEN C. MILLER Age: 51	Director and Chairman of the Board since January 2002. President of the Fund. Current term expires at Annual Meeting for 2005	President and General Counsel of Boulder Investment Advisers, LLC (FAS) Manager, Fund Administrative Services LLC ("FAS"); Vice President of Boulder Investment Advisers ("SIA"); Director and President of Boulder Total Return Fund, Inc., since 1999; Director of First Financial Fund, Inc. since August 2003. President and General Counsel, Horowitz & Partners, P.C. (liquidated in 1999); General Counsel, Brown Welding Supply, LLC (sold in 1999); Of Counsel, Krassa & Miller, LLC
------------------------------	--	---

BOULDER GROWTH & INCOME FUND, INC.

INFORMATION ABOUT DIRECTORS AND OFFICERS--(CONTINUED)

The names of the executive officers of the Fund (other than Mr. Miller, who is described above) are listed in the table below. Each officer was elected to office by the Board at a meeting held on January 21, 2003. This table also shows certain additional information. Each officer will hold such office until a successor has been elected by the Board.

NAME, ADDRESS, AGE	POSITION, LENGTH OF TERM SERVED, AND TERM OF OFFICE	PRINCIPAL OCCUPATION DURING THE
CARL D. JOHNS 1680 38th Street, Suite 800 Boulder, CO 80301 Age: 40	Chief Financial Officer, Chief Accounting Officer, Vice President and Treasurer since January 2002. Appointed annually.	Vice President and Trustee Manager of FAS, since October 2000 and Chief Financial Officer Boulder Total Return Financial Fund, Inc.
STEPHANIE J. KELLEY 1680 38th Street, Suite 800 Boulder, CO 80301 Age: 46	Secretary since January 2002. Appointed annually.	Secretary, Boulder Total Return Fund, Inc. since October 27, 2000 and since Aug. 2003; Assistant Treasurer of various FAS since March 1999.
NICOLE L. MURPHEY	Assistant Secretary	Assistant Secretary,

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

1680 38th Street,
Suite 800
Boulder, CO 80301
Age: 26

since January 2002.
Appointed annually.

since October 27, 200
since Aug. 2003; empl

16

This Page Left Blank Intentionally.

This Page Left Blank Intentionally.

BOULDER GROWTH & INCOME FUND, INC.
P.O. Box 43027
Providence, RI 02940-3027

[GRAPHIC OMITTED]
MOUNTAIN ART

BOULDER
GROWTH & INCOME
FUND, INC.
(NYSE: BIF)

ANNUAL REPORT
NOVEMBER 30, 2003

DIRECTORS

Brig. Gen (Ret.) Alfred G. Aldridge Jr.
Richard I. Barr
Susan L. Ciciora
Joel W. Looney
Stephen C. Miller

OFFICERS

Stephen C. Miller
President

Carl D. Johns
Vice President and Treasurer

Stephanie J. Kelley
Secretary

Nicole L. Murphey
Assistant Secretary

WWW.BOULDERFUNDS.NET

If you have questions regarding shares you held in a brokerage account contact

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

your broker, or, if you have physical possession of your shares in certificate form, contact the Fund's Transfer Agent & Shareholder Servicing Agent -- PFPC, Inc. at:

P.O. Box 43027
Providence, RI 02940-3027
1-800-331-1710

This report is sent to shareholders of Boulder Growth & Income Fund, Inc. for their information. It is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

ITEM 2. CODE OF ETHICS.

- (a) The registrant, as of the end of the period covered by this report, has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party.
- (b) There have been no amendments, during the period covered by this report, to a provision of the code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party, and that relates to any element of the code of ethics description.
- (c) The registrant has not granted any waivers, including an implicit waiver, from a provision of the code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the registrant or a third party, that relates to one or more of the items set forth in paragraph (b) of this item's instructions.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

As of the end of the period covered by the report, the registrant's board of directors has determined that Joel W. Looney is qualified to serve as an audit committee financial expert serving on its audit committee and that he is "independent," as defined by the Securities and Exchange Commission.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. [RESERVED]

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Boulder Total Return Fund, Inc. and Boulder Growth & Income Fund, Inc.

PROXY VOTING PROCEDURES

The Board of Directors of the Boulder Total Return Fund, Inc. and Boulder Growth & Income Fund, Inc. (collectively, the "FUNDS") hereby adopt the following policies and procedures with respect to voting proxies relating to portfolio securities held by the Funds (collectively, the "VOTING POLICIES").

1. POLICY. It is the policy of each of the Boards of Directors of the Funds (the "BOARD") to delegate the responsibility for voting proxies relating to portfolio securities held by the Funds to Boulder Investment Advisers, L.L.C. and Stewart Investment Advisers (collectively, the "ADVISER") as a part of the Adviser's general management of the Funds, subject to the Board's continuing oversight.¹ The voting of proxies is an integral part of the investment management services that the Adviser provides pursuant to the advisory contract. Proxy voting policies and procedures are required by Rule 206 (4)-6 of the Investment Advisers Act of 1940, and will be effective August 6, 2003.

2. FIDUCIARY DUTY. The Adviser, to which authority to vote on behalf of the Funds is delegated, exercises this voting responsibility as a fiduciary, and votes proxies in a manner consistent with the best interest of each Fund and its shareholders, and with the goal of maximizing the value of the Funds and the shareholders' investments.

3. PROCEDURES. The following are the procedures adopted by the Board for the administration of this policy:

A. REVIEW OF ADVISER PROXY VOTING PROCEDURES. The Adviser, with advice and counsel from the Board, shall present to the Board its policies, procedures and other guidelines for voting proxies at least annually (the "VOTING GUIDELINES"), and must notify the Board promptly of any material changes. In accordance with the foregoing, the Adviser has developed the Voting Guidelines which are attached hereto as EXHIBIT A.

B. CONFLICTS OF INTEREST. In any proxy vote that gives rise to a conflict of interest², the Adviser shall vote such proxy in accordance with the recommendations published for such matter by Institutional Shareholder Services (or such other independent third party service provider approved by the Audit Committee and whose business is to consider, investigate and make recommendations regarding shareholder proxy matters).

C. VOTING RECORD REPORTING. No less than annually, the Adviser shall report to the Board a record of each proxy voted with respect to portfolio securities of the Funds during the respective year. With respect to those proxies the Adviser has identified as involving a conflict of interest, the Adviser shall submit a separate report indicating the nature of the conflict of interest and how that conflict was resolved with respect to the voting of the proxy.

4. REVOCATION. The delegation by the Board of the authority to vote proxies relating to portfolio securities of the Funds is entirely voluntary and may be revoked by the Board, in whole or in part, at any time.

ANNUAL FILING. The Fund shall file an annual report of each proxy voted with respect to portfolio securities of the Funds during the twelve-month period ended June 30 on Form N-PX not later than August 31 of each year, commencing August 31, 2004.

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

1 This policy is adopted for the purpose of the disclosure requirements adopted by the Securities and Exchange Commission, Releases No. 33-8188, 34-47304, IC-25922.

2 As it is used in this document, the term "conflict of interest" refers to a situation in which the Adviser or affiliated persons of the Adviser have a financial interest in a matter presented by a proxy other than the obligation it incurs as investment adviser to the Funds which compromises the Adviser's independence of judgment and action with respect to the voting of the proxy.

Voting Policies and Procedures

5. DISCLOSURES.

a. The Fund shall include in any future registration statement:

- i. A description of the Voting Policies and the Voting Guidelines³; and
- ii. A statement disclosing that information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling the Funds' toll-free telephone number; or through a specified Internet address; or both; and on the SEC website.⁴

b. The Fund shall include in its Annual and Semi-Annual Reports to shareholders:

- i. A statement disclosing that the Voting Policies and Voting Guidelines are available without charge, upon request, by calling the Funds' toll-free telephone number; or through a specified Internet address; and on the SEC website.⁵
- ii. A statement disclosing that information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling the Fund's toll-free telephone number; or through a specified Internet address; or both; and on the SEC website.⁶

6. RECORDKEEPING REQUIREMENTS. SEC Rule 204-2, as amended, requires advisers to retain:

1. Proxy voting policies and procedures
2. Proxy statements received regarding client securities
3. Records of votes cast on behalf of clients
4. Records of written client requests
5. Any documents prepared by the adviser material to making a decision how to vote, or that memorialized the basis for the decision.

7. REVIEW OF POLICY. At least annually, the Board shall review this Policy to determine its sufficiency and shall make and approve any changes that it deems necessary from time to time.

3 This disclosure shall be included in the registration statement next filed on behalf of the Funds after July 1, 2003.

4 This disclosure shall be included in the registration statement next filed on behalf of the Funds after August 31, 2004.

5 This disclosure shall be included in the report next filed on behalf of the

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Funds after July 1, 2003.

6 This disclosure shall be included in the report next filed on behalf of the Funds after August 31, 2004.

Page 2

EXHIBIT A - VOTING GUIDELINES

The Funds' and Advisers' proxy voting principles are summarized below, with specific examples of voting decisions for the types of proposals that are most frequently presented:

CATEGORY	GUIDELINE	VOTING
BOARD OF DIRECTOR ISSUES	The board of directors' primary role is to protect the interests of all shareholders. Key functions of the board are to approve the direction of corporate strategy, ensure succession of management and evaluate performance of the corporation as well as senior management. The board is accountable to shareholders, and must operate independently from management.	
Routine Elections	Generally we will vote with management's recommendation	Generally
Board Classification	Generally we are opposed to entrenchment mechanisms and will vote against proposals to classify a board. We prefer annual election of directors in order that shareholders have more power to replace directors deemed to not be acting in the shareholders' interest.	Generally
Independence of Directors	The majority of board members should be independent from the corporation, management or a majority shareholder. An independent member should not be a former employee of the company or a representative of a key supplier to or a key client of the company.	We will g have a classified
Director Indemnification	Mandatory indemnification of directors and officers is necessary to attract quality candidates.	Generally
Director Attendance	Board membership requires a significant amount of time in order for responsibilities to be executed, and attendance at Board and Committee meetings is noted.	We look fo the 75% pa

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Term Limits	We are more concerned with the performance of directors and not with the term limits.	Generally case-by-ca
Separation of Chair and CEO	In most cases it is advisable for there to be a separation between the CEO and the Chair to enhance separation of management interests and shareholders.	In most recommenda from the considered situation Governance place.
Committees of the Board	Audit, Compensation, Governance and Nominating committees are the most significant committees of the board.	We support committees membership primary co membership that the independen
Audit Process	The members of an audit committee should be independent directors, and the auditor must also be independent. The auditor should report directly to the Audit	We will ge auditors r

Voting Policies and Procedures

CATEGORY	GUIDELINE	VOTING
	committee and not to management.	Committee supplies than the reviewed
VOTING AND ENTRENCHMENT ISSUES		
Shareholder Right to Call Special Meeting		Generall
Shareholder Right to Act by Written Consent		Generall
Cumulative Voting	Our experience has been that cumulative voting is generally proposed by large shareholders who may wish to exert undue influence on the board.	Generall consider unrespon
Confidentiality of Shareholder Voting	Like any other electoral system, the voting at annual and special meetings should be confidential and free from any potential coercion and/or impropriety.	We will introduc voting.
Size of Board of Directors	Generally boards should be comprised of	The ind

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

a minimum of seven to a maximum of fifteen. However the complexity of the company has an impact on required board size.

greater members. board si anti-tak against.

 COMPENSATION ISSUES

Director Compensation

Directors should be compensated fairly for the time and expertise they devote on behalf of shareholders. We favor directors personally owning shares in the corporation, and that they receive a substantial portion of their remuneration in the form of shares.

We support portion the for support not su benefits

 MANAGEMENT COMPENSATION

Compensation plans for executives should be designed to attract and retain the right people with exceptional skills to manage the company successfully long-term. These plans should be competitive within the company's respective industry without being excessive and should attempt to align the executive's interests with the long-term interest of shareholders.

Executiv consider

Stock Options and Incentive Compensation Plans

Compensation plans should be designed to reward good performance of executives. They should also encourage management to own stock so as to align their financial interests with those of the shareholders. It is important that these plans are disclosed to the shareholders in detail for their approval.

We will priced b lowering previous support

Page A-2

Voting Policies and Procedures

 CATEGORY

GUIDELINE

VOTING

 Adopt/Amend Employee Stock Purchase Plans

Consider

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Golden Parachutes	Although we believe that "golden parachutes" may be a good way to attract, retain and encourage objectivity of qualified executives by providing financial security in the case of a change in the structure or control of a company, golden parachutes can be excessive.	General case-by-
-------------------	---	------------------

Require Shareholder Approval of Golden Parachutes		General
---	--	---------

TAKEOVER PROTECTIONS	Some companies adopt shareholder rights plans that incorporate anti-takeover measures, which may include: poison pills, crown jewel defense, payment of greenmail, going private transactions, leveraged buyouts, lock-up arrangements, Fair price amendments, Re-incorporation. Rights plans should be designed to ensure that all shareholders are treated equally in the event there is a change in control of a company. These plans should also provide the Board with sufficient time to ensure that the appropriate course of action is chosen to ensure shareholder interests have been protected. However, many shareholder rights plans can be used to prevent bids that might in fact be in the shareholders best interests. Depending on their contents, these plans may also adversely influence current share prices and long-term shareholder value.	We will case-by support rights a
----------------------	---	----------------------------------

Dual Class Shares	It is not unusual for certain classes of shares to have more than one vote per share. This is referred to as a dual class share structure and can result in a minority of shareholders having the ability to make decisions that may not be in the best interests of the majority of shareholders.	General
-------------------	--	---------

Super-Majority Voting Provisions	Super-majority voting (e.g., 67% of votes cast or a majority of outstanding shares), although fairly common, can, from a practical point of view, be difficult to obtain, and essentially are a bar from effective challenges to entrenched management, regardless of performance or popularity. A very high requirement can be unwieldy and therefore not in the best interest of the majority of shareholders.	General oppose p that ar votes o supermaj case-by-
----------------------------------	--	--

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Voting Policies and Procedures

CATEGORY	GUIDELINE	VOTING
Issuance of Authorized Shares		General
Issuance of Unlimited or Additional Shares	Corporations may increase their authorized number of shares in order to implement a stock split, to support an acquisition or restructuring plan, to use in a stock option plan or to implement an anti-takeover plan. Shareholders should approve of the specific business need for the increase in the number of shares and should understand that the issuance of new shares can have a significant effect on the value of existing shares.	General oppose of autho will co the num case-by purpose.
Shareholder Proposals	Shareholders should have the opportunity to raise their concerns or issues to company management, the board and other shareholders. As long as these proposals deal with appropriate issues and are not for the purposes of airing personal grievances or to obtain publicity, they should be included on the proxy ballot for consideration.	Sharehol on a cas
OTHER MATTERS		
Stock Repurchase Plans		General
Stock Splits		General
Require Shareholder Approval to issue Preferred Stock		General
Corporate Loans to Employees	Corporate loans, or the guaranteeing of loans, to enable employees to purchase company stock or options should be avoided. These types of loans can be risky if the company stock declines or the employee is terminated.	General
Blank-cheque Preferred Shares	The authorization of blank-cheque preferred shares gives the board of directors complete discretion to fix voting, dividend, conversion and other rights and privileges. Once these shares have been authorized, the shareholders have no authority to determine how or when they will be allocated. There may be valid business reasons for the issuance of these shares but the potential for abuse outweighs the benefits.	General

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Page A-4

ITEM 8. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 9. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not applicable.

ITEM 10. 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 half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 11. EXHIBITS.

- (a) (1) Code of ethics, or any amendment thereto, that is the subject of disclosure required by Item 2 is attached hereto.
- (a) (2) Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.
- (a) (3) Not applicable.
- (b) Certifications pursuant to Section 906 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) BOULDER GROWTH & INCOME FUND, INC.

By (Signature and Title)* /S/ STEPHEN C. MILLER

Edgar Filing: BOULDER GROWTH & INCOME FUND - Form N-CSR

Stephen C. Miller, President
(principal executive officer)

Date JANUARY 19, 2004

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/ STEPHEN C. MILLER

Stephen C. Miller, President
(principal executive officer)

Date JANUARY 19, 2004

By (Signature and Title)* /S/ CARL D. JOHNS

Carl D. Johns, Vice President and Treasurer
(principal financial officer)

Date JANUARY 20, 2004

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