

VALUE LINE FUND INC
Form N-CSRS
September 08, 2011

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 _811-02265_

— Value Line Fund, Inc.
(Exact name of registrant as specified in charter)

7 Times Square, New York, N.Y. 10036
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 212-907-1500

Date of fiscal year end: December 31

Date of reporting period: June 30, 2011

Item I. Reports to Stockholders.

A copy of the Semi-Annual Report to Stockholders for the period ended 6/30/11 is included with this Form.

| | | |
|---|---|---------------------------------------|
| INVESTMENT ADVISER | EULAV Asset Management 7 Times Square 21st Floor New York, NY 10036-6524 | SEMI – ANNUAL REPORT June 30, 2011 |
| DISTRIBUTOR | EULAV Securities LLC 7 Times Square 21st Floor New York, NY 10036-6524 | |
| CUSTODIAN BANK | State Street Bank and Trust Co. 225 Franklin Street Boston, MA 02110 | |
| SHAREHOLDER | State Street Bank and Trust Co. | |
| SERVICING AGENT | c/o BFDS P.O. Box 219729 Kansas City, MO 64121-9729 | |
| INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM | PricewaterhouseCoopers LLP 300 Madison Avenue New York, NY 10017 | The Value Line Fund, Inc. |
| LEGAL COUNSEL | Peter D. Lowenstein, Esq. 496 Valley Road Cos Cob, CT 06807-0272 | |
| DIRECTORS | Mitchell E. Appel Joyce E. Heinzerling Francis C. Oakley David H. Porter Paul Craig Roberts Nancy-Beth Sheerr Daniel S. Vandivort | |
| OFFICERS | Mitchell E. Appel President Michael J. Wagner Chief Compliance Officer Emily D. Washington Treasurer and Secretary | |

This unaudited report is issued for information to shareholders. It is not authorized for distribution to prospective investors unless preceded or accompanied by a currently effective prospectus of the Fund (obtainable from the Distributor).

#00081085

The Value Line Fund, Inc.

To Our Value Line

To Our Shareholders (unaudited):

Enclosed is your annual report for the six-month period ended June 30, 2011. I encourage you to carefully review this report, which includes economic highlights, your Fund's performance data and highlights, schedule of investments, and financial statements.

We are pleased to report that The Value Line Fund, Inc. (the "Fund") earned a total return of 14.04% for the six months ending June 30, 2011. That compared with a total return of 6.02% for the benchmark index, the Standard & Poor's 500 Index(1). Contributing to the superior performance in the period was good stock selection in the Computer Software, Consumer Services and Process Industries sectors, plus avoidance of the weak Financial Services sector. In addition, the Fund's largest holding, Green Mountain Coffee Roasters, rose 172% in the six months.

Eighteen months ago, we outlined for you the changes we had undertaken to improve the performance of your Fund. Those changes continue to pay off. First, we broadened the Fund's stock selection universe. Rather than mechanically invest only in the weekly list of one hundred Rank 1s of the Value Line Timeliness Ranking System, the portfolio manager now selects investments from among the 1,200 or so stocks in the top three Ranks. This allows greater diversification of the portfolio, while also reducing portfolio turnover and hence trading expenses. Second, we appointed senior portfolio manager Stephen Grant to actively manage the Fund. In his 20 years with the Value Line funds, Mr. Grant has demonstrated widely recognized success managing other equity portfolios in our fund family.

The Fund's expanded stock selection criteria allow us to implement our disciplined investment strategy to full advantage. We invest in proven winners---those companies that have established five to ten year records of superior relative earnings growth and stock price growth. This is truly a portfolio of growth stocks. We also look for companies demonstrating strong short-term, quarter to quarter, relative earnings momentum and stock price momentum. If a holding later falters on these measures, we do not hesitate to replace it with a stock showing superior strength.

The Fund invests in companies of all sizes. Its approximately 150 holdings are well-diversified in that respect, comprised of about one third large capitalization companies, one third mid-cap and one third small-cap.

Thank you for investing with us.

Sincerely,

/s/ Mitchell Appel
Mitchell Appel, President

/s/ Stephen E. Grant
Stephen E. Grant, Portfolio Manager

(1) The Standard & Poor's 500 Index consists of 500 stocks which are traded on the New York Stock Exchange, American Stock Exchange and the NASDAQ National Market System and is representative of the broad stock market. This is an unmanaged index and does not reflect charges, expenses or taxes. It is not possible to directly invest in this index.

The Value Line Fund, Inc.

Fund Shareholders

Economic Highlights (unaudited)

The first half of 2011 saw the broad US stock market rising on the heels of strengthening corporate profits. The S&P 500 returned 6% for the first six months of the year despite significant global economic concerns. Several members of the European Union continued to face a serious debt crisis including Greece, Portugal, Ireland, and Spain. Further, the nuclear disaster in Japan and the geopolitical upheaval in commodity markets added to investor concerns. At home, disappointing job growth in the United States kept the national unemployment rate firmly above 9% for the second quarter.

By mid-year there was mounting evidence that the US recovery had slowed to a crawl. Consumer spending, which accounts for roughly 70% of economic activity, declined in June for the first time in 2 years. First quarter GDP was up by only 0.4%, and second quarter GDP growth was only modestly better at 1.3%. Employment growth in July lagged June numbers, and it was reported that the level of new factory orders decreased. By August, only 58% of the population was working, the lowest level in nearly 3 decades. Housing prices remained almost uniformly weak.

Much of the summer was consumed by the drama of the U.S. debt ceiling negotiations, resulting in an 11th hour deal that appears to satisfy few constituents. It surely did not satisfy Standard & Poors who felt that the \$2.1 trillion deficit reduction over 10 years was insufficient to solve the country's debt problem. The rating agency proceeded to downgrade U.S. Treasury debt from AAA to AA+. This downgrade did not affect short-term Treasuries. Within a few days the rating agency imposed the same rating cut on the long-term debt of several U.S. Agencies including Fannie Mae and Freddie Mac. The other major rating agencies, Moody's and Fitch, maintained AAA ratings for U.S. Treasury debt as well as for the U.S. Agencies. Investor confidence plunged on the heels of the debt ceiling debacle and the US Treasury debt downgrade. Returns for the S&P 500 turned negative in August giving up its returns for the year.

The bond market rallied as stocks took a dive. Yields fell and prices rose across fixed income markets as investors looked for safer havens. Despite the rating downgrade, investor demand for Treasuries soared, pushing interest rates down to the lowest levels in 2 years.

The Value Line Fund, Inc.

FUND EXPENSES (unaudited):

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (January 1, 2011 through June 30, 2011).

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if transactional costs were included, your costs would have been higher.

| | Beginning account value 1/1/11 | Ending account value 6/30/11 | Expenses paid during period 1/1/11 thru 6/30/11* |
|--|---|---------------------------------------|---|
| Actual | \$1,000.00 | \$1,140.40 | \$4.62 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,020.48 | \$4.36 |

* Expenses are equal to the Fund’s annualized expense ratio of 0.87% multiplied by the average account value over the period, multiplied by 181/365 to reflect the one-half year period. This expense ratio

may differ from the expense ratio shown in the Financial Highlights.

The Value Line Fund, Inc.

Portfolio Highlights at June 30, 2011 (unaudited)

Ten Largest Holdings

| Issue | Shares | Value | Percentage of Net Assets | |
|--|--------|-------------|--------------------------------|---|
| Green Mountain Coffee Roasters, Inc. | 41,000 | \$3,659,660 | 2.6 | % |
| Priceline.com, Inc. | 4,500 | \$2,303,685 | 1.6 | % |
| Edwards Lifesciences Corp. | 26,000 | \$2,266,680 | 1.6 | % |
| Informatica Corp. | 34,000 | \$1,986,620 | 1.4 | % |
| AutoZone, Inc. | 6,700 | \$1,975,495 | 1.4 | % |
| Oracle Corp. | 58,000 | \$1,908,780 | 1.3 | % |
| Diamond Foods, Inc. | 24,000 | \$1,832,160 | 1.3 | % |
| Novo Nordisk A/S ADR | 14,000 | \$1,753,920 | 1.2 | % |
| Rollins, Inc. | 85,000 | \$1,732,300 | 1.2 | % |
| Cognizant Technology Solutions Corp. Class A | 23,400 | \$1,716,156 | 1.2 | % |

Asset Allocation – Percentage of Net Assets

Sector Weightings – Percentage of Total Investment Securities

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The Value Line Fund, Inc.

Schedule of Investments (unaudited)

| Shares | | Value |
|---|---|--------------|
| COMMON STOCKS (97.1%) | | |
| CONSUMER DISCRETIONARY (20.3%) | | |
| 6,700 | AutoZone, Inc. * | \$ 1,975,495 |
| 14,000 | Bed Bath & Beyond, Inc. * | 817,180 |
| 12,800 | BorgWarner, Inc. * | 1,034,112 |
| 22,400 | Brinker International, Inc. | 547,904 |
| 17,000 | Buckle, Inc. (The) | 725,900 |
| 8,000 | Buffalo Wild Wings, Inc. * | 530,480 |
| 3,600 | Chipotle Mexican Grill, Inc. * | 1,109,484 |
| 11,700 | Coach, Inc. | 747,981 |
| 15,500 | Darden Restaurants, Inc. | 771,280 |
| 17,000 | Deckers Outdoor Corp. * | 1,498,380 |
| 9,000 | Dick's Sporting Goods, Inc. * | 346,050 |
| 25,000 | DIRECTV Class A * | 1,270,500 |
| 12,000 | Dollar Tree, Inc. * | 799,440 |
| 24,000 | Domino's Pizza, Inc. * | 605,760 |
| 3,800 | Fossil, Inc. * | 447,336 |
| 7,000 | Genuine Parts Co. | 380,800 |
| 13,000 | Gildan Activewear, Inc. | 457,210 |
| 2,900 | Guess?, Inc. | 121,974 |
| 15,400 | Hanesbrands, Inc. * | 439,670 |
| 28,600 | Johnson Controls, Inc. | 1,191,476 |
| 18,000 | LKQ Corp. * | 469,620 |
| 3,000 | Lululemon Athletica, Inc. * | 335,460 |
| 15,300 | McDonald's Corp. | 1,290,096 |
| 2,000 | Netflix, Inc. * | 525,380 |
| New Oriental Education & Technology Group, Inc. | | |
| 400 | ADR * | 44,688 |
| 2,000 | O'Reilly Automotive, Inc. * | 131,020 |
| 13,000 | Panera Bread Co. Class A * | 1,633,580 |
| 14,400 | Penn National Gaming, Inc. * | 580,896 |
| 4,500 | Priceline.com, Inc. * | 2,303,685 |
| 5,000 | Shaw Communications, Inc. Class B | 114,150 |
| 3,500 | Strayer Education, Inc. | 442,365 |
| 3,000 | Tim Hortons, Inc. | 146,430 |
| 22,000 | TJX Companies, Inc. (The) | 1,155,660 |
| 13,000 | TRW Automotive Holdings Corp. * | 767,390 |
| 2,000 | Ulta Salon, Cosmetics & Fragrance, Inc. * | 129,160 |
| 2,300 | Under Armour, Inc. Class A * | 177,813 |
| 12,000 | Warnaco Group, Inc. (The) * | 627,000 |
| Shares | | |
| 4,600 | Wynn Resorts Ltd. | \$ 660,284 |
| 27,800 | Yum! Brands, Inc. | 1,535,672 |

28,888,761

| | | |
|--------|--|------------|
| | CONSUMER STAPLES (11.0%) | |
| 1,400 | Boston Beer Co., Inc. (The) Class A * | 125,440 |
| 4,000 | British American Tobacco PLC ADR | 352,000 |
| 6,500 | Bunge Ltd. | 448,175 |
| 12,000 | Casey's General Stores, Inc. | 528,000 |
| 28,000 | Church & Dwight Co., Inc. | 1,135,120 |
| 12,700 | Corn Products International, Inc. | 702,056 |
| 8,000 | Costco Wholesale Corp. | 649,920 |
| 24,000 | Diamond Foods, Inc. | 1,832,160 |
| 36,000 | Flowers Foods, Inc. | 793,440 |
| 12,000 | General Mills, Inc. | 446,640 |
| 41,000 | Green Mountain Coffee Roasters, Inc. * | 3,659,660 |
| 11,400 | Herbalife Ltd. | 657,096 |
| 41,000 | Hormel Foods Corp. | 1,222,210 |
| 21,600 | J&J Snack Foods Corp. | 1,076,760 |
| 7,000 | Molson Coors Brewing Co. Class B | 313,180 |
| 7,000 | PepsiCo, Inc. | 493,010 |
| 1,000 | Ruddick Corp. | 43,540 |
| 15,700 | TreeHouse Foods, Inc. * | 857,377 |
| 6,000 | Whole Foods Market, Inc. | 380,700 |
| | | 15,716,484 |
| | ENERGY (0.9%) | |
| 2,300 | Core Laboratories N.V. | 256,542 |
| 8,000 | Enbridge, Inc. | 259,680 |
| 16,000 | Southwestern Energy Co. * | 686,080 |
| | | 1,202,302 |
| | FINANCIALS (3.4%) | |
| 20,000 | AFLAC, Inc. | 933,600 |
| 2,000 | Axis Capital Holdings Ltd. | 61,920 |
| 14,000 | Bank of Montreal | 889,700 |
| 3,000 | BlackRock, Inc. | 575,430 |
| 7,000 | M&T Bank Corp. | 615,650 |
| 8,000 | Royal Bank of Canada | 456,240 |
| 13,500 | Stifel Financial Corp. * | 484,110 |
| 13,000 | T. Rowe Price Group, Inc. | 784,420 |
| | | 4,801,070 |

See Notes to Financial Statements.

The Value Line Fund, Inc.

June 30, 2011

| Shares | | Value |
|--------|---|------------|
| | HEALTH CARE (17.4%) | |
| 13,600 | Alexion Pharmaceuticals, Inc. * | \$ 639,608 |
| 11,600 | Allergan, Inc. | 965,700 |
| 3,300 | Bio-Rad Laboratories, Inc. Class A * | 393,888 |
| 7,000 | C.R. Bard, Inc. | 769,020 |
| 15,400 | Catalyst Health Solutions, Inc. * | 859,628 |
| 18,200 | Cerner Corp. * | 1,112,202 |
| 24,400 | Computer Programs & Systems, Inc. | 1,548,912 |
| 3,000 | DaVita, Inc. * | 259,830 |
| 3,000 | DENTSPLY International, Inc. | 114,240 |
| 26,000 | Edwards Lifesciences Corp. * | 2,266,680 |
| 8,700 | Endo Pharmaceuticals Holdings, Inc. * | 349,479 |
| 24,000 | Express Scripts, Inc. * | 1,295,520 |
| 8,700 | Haemonetics Corp. * | 560,019 |
| 13,700 | Henry Schein, Inc. * | 980,783 |
| 3,600 | IDEXX Laboratories, Inc. * | 279,216 |
| 13,000 | Illumina, Inc. * | 976,950 |
| 1,000 | Intuitive Surgical, Inc. * | 372,110 |
| 14,000 | Medco Health Solutions, Inc. * | 791,280 |
| 8,000 | MEDNAX, Inc. * | 577,520 |
| 3,000 | Mettler-Toledo International, Inc. * | 506,010 |
| 14,000 | Novo Nordisk A/S ADR | 1,753,920 |
| 17,500 | Owens & Minor, Inc. | 603,575 |
| 23,000 | ResMed, Inc. * | 711,850 |
| 6,600 | Techne Corp. | 550,242 |
| 18,000 | Teva Pharmaceutical Industries Ltd. ADR | 867,960 |
| 8,200 | Thermo Fisher Scientific, Inc. * | 527,998 |
| 3,500 | United Therapeutics Corp. * | 192,850 |
| 22,000 | UnitedHealth Group, Inc. | 1,134,760 |
| 17,400 | Universal Health Services, Inc. Class B | 896,622 |
| 9,000 | Volcano Corp. * | 290,610 |
| 6,000 | Waters Corp. * | 574,440 |
| 14,000 | WellPoint, Inc. | 1,102,780 |
| | | 24,826,202 |

| Shares | | Value |
|--------|--------------------------------|--------------|
| | INDUSTRIALS (17.7%) | |
| 26,500 | AMETEK, Inc. | \$ 1,189,850 |
| 7,800 | C.H. Robinson Worldwide, Inc. | 614,952 |
| 12,100 | Canadian National Railway Co. | 966,790 |
| 11,500 | Carlisle Companies, Inc. | 566,145 |
| 15,000 | Chicago Bridge & Iron Co. N.V. | 583,500 |
| 3,000 | CLARCOR, Inc. | 141,840 |
| 1,000 | Clean Harbors, Inc. * | 103,250 |

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| | | |
|--------|------------------------------------|------------|
| 5,100 | Cubic Corp. | 260,049 |
| 23,700 | Danaher Corp. | 1,255,863 |
| 14,000 | Donaldson Co., Inc. | 849,520 |
| 14,000 | Eaton Corp. | 720,300 |
| 8,700 | Elbit Systems Ltd. | 415,512 |
| 2,900 | Esterline Technologies Corp. * | 221,560 |
| 12,000 | Fastenal Co. | 431,880 |
| 6,000 | FedEx Corp. | 569,100 |
| 9,300 | Graco, Inc. | 471,138 |
| 8,950 | HEICO Corp. | 489,923 |
| 12,000 | IDEX Corp. | 550,200 |
| 18,200 | IHS, Inc. Class A * | 1,518,244 |
| 12,400 | Iron Mountain, Inc. | 422,716 |
| 11,700 | ITT Corp. | 689,481 |
| 6,800 | J.B. Hunt Transport Services, Inc. | 320,212 |
| 9,600 | Kansas City Southern * | 569,568 |
| 11,000 | Kirby Corp. * | 623,370 |
| 7,400 | L-3 Communications Holdings, Inc. | 647,130 |
| 3,000 | Lennox International, Inc. | 129,210 |
| 2,300 | Middleby Corp. (The) * | 216,292 |
| 1,800 | National Presto Industries, Inc. | 182,682 |
| 9,000 | Navistar International Corp. * | 508,140 |
| 6,200 | Parker Hannifin Corp. | 556,388 |
| 3,800 | Precision Castparts Corp. | 625,670 |
| 85,000 | Rollins, Inc. | 1,732,300 |
| 11,400 | Roper Industries, Inc. | 949,620 |
| 12,000 | Stericycle, Inc. * | 1,069,440 |
| 6,800 | Toro Co. (The) | 411,400 |
| 12,400 | United Technologies Corp. | 1,097,524 |
| 9,500 | URS Corp. * | 425,030 |
| 7,000 | Valmont Industries, Inc. | 674,730 |
| 4,900 | W.W. Grainger, Inc. | 752,885 |
| 20,300 | Waste Connections, Inc. | 644,119 |
| | | 25,167,523 |

See Notes to Financial Statements.

The Value Line Fund, Inc.

Schedule of Investments (unaudited)

| Shares | | Value |
|--------|--|--------------|
| | INFORMATION TECHNOLOGY (15.7%) | |
| 22,600 | Accenture PLC Class A | \$ 1,365,492 |
| 12,000 | Acme Packet, Inc. * | 841,560 |
| 26,000 | Advent Software, Inc. * | 732,420 |
| 8,300 | Alliance Data Systems Corp. * | 780,781 |
| 7,000 | Amphenol Corp. Class A | 377,930 |
| 11,500 | ANSYS, Inc. * | 628,705 |
| 7,000 | Ariba, Inc. * | 241,290 |
| 25,000 | Check Point Software Technologies Ltd. * | 1,421,250 |
| 23,400 | Cognizant Technology Solutions Corp. Class A * | 1,716,156 |
| 15,000 | Dolby Laboratories, Inc. Class A * | 636,900 |
| 7,000 | Equinix, Inc. * | 707,140 |
| 5,700 | F5 Networks, Inc. * | 628,425 |
| 3,300 | FactSet Research Systems, Inc. | 337,656 |
| 700 | Google, Inc. Class A * | 354,466 |
| 34,000 | Informatica Corp. * | 1,986,620 |
| 2,600 | MasterCard, Inc. Class A | 783,484 |
| 4,000 | MICROS Systems, Inc. * | 198,840 |
| 6,000 | Netgear, Inc. * | 262,320 |
| 25,000 | Open Text Corp. * | 1,600,500 |
| 58,000 | Oracle Corp. | 1,908,780 |
| 7,000 | Rovi Corp. * | 401,520 |
| 7,000 | Salesforce.com, Inc. * | 1,042,860 |
| 15,300 | Solera Holdings, Inc. | 905,148 |
| 12,000 | SuccessFactors, Inc. * | 352,800 |
| 7,000 | Teradata Corp. * | 421,400 |
| 20,000 | TIBCO Software, Inc. * | 580,400 |
| 6,000 | VMware, Inc. Class A * | 601,380 |
| 3,000 | WebMD Health Corp. * | 136,740 |
| 8,100 | Wright Express Corp. * | 421,767 |
| | | 22,374,730 |
| | MATERIALS (8.7%) | |
| 7,800 | Albemarle Corp. | 539,760 |
| 23,000 | Ball Corp. | 884,580 |
| 8,200 | CF Industries Holdings, Inc. | 1,161,694 |
| 38,000 | Crown Holdings, Inc. * | 1,475,160 |
| 10,000 | Cytec Industries, Inc. | 571,900 |
| 15,000 | FMC Corp. | 1,290,300 |
| 7,400 | NewMarket Corp. | 1,263,254 |
| 10,000 | Packaging Corp. of America | 279,900 |
| 9,000 | Praxair, Inc. | 975,510 |
| | | |
| Shares | | Value |
| 8,000 | Rock-Tenn Co. Class A | \$ 530,720 |

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|---------------------|---|----------------|
| 14,000 | Scotts Miracle-Gro Co. (The) Class A | 718,340 |
| 12,400 | Sigma-Aldrich Corp. | 909,912 |
| 25,900 | Silgan Holdings, Inc. | 1,061,123 |
| 13,100 | Solutia, Inc. * | 299,335 |
| 11,400 | Valspar Corp. (The) | 411,084 |
| | | 12,372,572 |
| | UTILITIES (2.0%) | |
| 14,000 | ITC Holdings Corp. | 1,004,780 |
| 8,200 | NSTAR | 377,036 |
| 9,600 | Oneok, Inc. | 710,496 |
| 18,000 | Questar Corp. | 318,780 |
| 15,300 | Wisconsin Energy Corp. | 479,655 |
| | | 2,890,747 |
| | TOTAL COMMON STOCKS AND TOTAL INVESTMENT SECURITIES (97.1%) (Cost \$91,986,386) | 138,240,391 |
| Principal Amount | | Value |
| | SHORT-TERM INVESTMENTS (1.6%) | |
| | REPURCHASE AGREEMENTS (1.6%) | |
| \$ 2,300,000 | With Morgan Stanley, 0.00%, dated 06/30/11, due 07/01/11, delivery value \$2,300,000 (collateralized by \$2,330,000 U.S. Treasury Notes 0.8750% due 02/29/12, with a value of \$2,348,227) | \$ 2,300,000 |
| | TOTAL SHORT-TERM INVESTMENTS (Cost \$2,300,000) (1.6%) | 2,300,000 |
| | CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES (1.3%) | 1,823,263 |
| | NET ASSETS (100%) | \$ 142,363,654 |

See Notes to Financial Statements.

The Value Line Fund, Inc.

June 30, 2011

Principal
Amount

NET ASSET VALUE OFFERING AND REDEMPTION PRICE, PER OUTSTANDING SHARE
(\$142,363,654 ÷ 14,600,247 shares outstanding)

Value

\$ 9.75

* Non-income producing.
ADR American Depositary Receipt.

See Notes to Financial Statements.

The Value Line Fund, Inc.

Statement of Assets and Liabilities
at June 30, 2011 (unaudited)

Assets:

| | |
|--|----------------|
| Investment securities, at value (Cost - \$91,986,386) | \$ 138,240,391 |
| Repurchase agreement (Cost - \$2,300,000) | 2,300,000 |
| Cash | 176,142 |
| Receivable for securities sold | 1,211,831 |
| Receivable for capital shares sold | 618,872 |
| Dividends receivable | 40,990 |
| Prepaid expenses | 13,270 |
| Total Assets | 142,601,496 |

Liabilities:

| | |
|--|----------------|
| Payable for capital shares redeemed | 156,567 |
| Accrued expenses: | |
| Advisory fee | 61,423 |
| Other | 19,852 |
| Total Liabilities | 237,842 |
| Net Assets | \$ 142,363,654 |
| Net assets consist of: | |
| Capital stock, at \$1.00 par value (authorized 50,000,000, outstanding 14,600,247 shares) | \$ 14,600,247 |
| Additional paid-in capital | 151,286,790 |
| Accumulated net investment loss | (13,202) |
| Accumulated net realized loss on investments and foreign currency | (69,764,210) |
| Net unrealized appreciation of investments and foreign currency translations | 46,254,029 |
| Net Assets | \$ 142,363,654 |
| Net Asset Value, Offering and Redemption Price per Outstanding Share (\$142,363,654 ÷ 14,600,247 shares outstanding) | \$9.75 |

Statement of Operations

for the Six Months Ended June 30, 2011 (unaudited)

Investment Income:

| | |
|---|-----------|
| Dividends (net of foreign withholding tax of \$9,239) | \$454,804 |
| Interest | 1,832 |
| Total Income | 456,636 |
| Expenses: | |
| Advisory fee | 390,384 |
| Service and distribution plan fees | 140,611 |
| Transfer agent fees | 43,505 |
| Printing and postage | 35,153 |
| Auditing and legal fees | 24,776 |
| Registration and filing fees | 14,730 |
| Custodian fees | 13,324 |

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| | |
|---|--------------|
| Directors' fees and expenses | 10,325 |
| Insurance | 6,218 |
| Other | 9,724 |
| Total Expenses Before Fees Waived and Custody Credits | 688,750 |
| Less: Service and Distribution Plan Fees Waived | (140,611) |
| Less: Advisory Fees Waived | (59,567) |
| Less: Custody Credits | (78) |
| Net Expenses | 488,494 |
| Net Investment Loss | (31,858) |
| Net Realized and Unrealized Gain on Investments and Foreign Exchange Transactions: | |
| Net Realized Gain | 3,505,096 |
| Change in Net Unrealized Appreciation/(Depreciation) | 11,860,621 |
| Net Realized Gain and Change in Net Unrealized Appreciation/(Depreciation) on Investments and Foreign Exchange Transactions | 15,365,717 |
| Net Increase in Net Assets from Operations | \$15,333,859 |

See Notes to Financial Statements.

The Value Line Fund, Inc.

Statement of Changes in Net Assets
for the Six Months Ended June 30, 2011 (unaudited) and for the Year Ended December 31, 2010

| | Six Months Ended June 30, 2011 (unaudited) | Year Ended December 31, 2010 |
|---|--|------------------------------------|
| Operations: | | |
| Net investment income/(loss) | \$ (31,858) | \$ 19,119 |
| Net realized gain on investments and foreign currency | 3,505,096 | 6,315,624 |
| Change in net unrealized appreciation/(depreciation) | 11,860,621 | 15,566,001 |
| Net increase in net assets from operations | 15,333,859 | 21,900,744 |
| Capital Share Transactions: | | |
| Proceeds from sale of shares | 29,609,498 | 1,757,938 |
| Cost of shares redeemed | (6,779,914) | (12,138,342) |
| Net increase/(decrease) in net assets from capital share transactions | 22,829,584 | (10,380,404) |
| Total Increase in Net Assets | 38,163,443 | 11,520,340 |
| Net Assets: | | |
| Beginning of period | \$ 104,200,211 | \$ 92,679,871 |
| End of period | \$ 142,363,654 | \$ 104,200,211 |
| Accumulated net investment loss and undistributed net investment income, respectively, at end of period | \$ (13,202) | \$ 18,656 |

See Notes to Financial Statements.

The Value Line Fund, Inc.

Notes to Financial Statements (unaudited)

1. Significant Accounting Policies

The Value Line Fund, Inc., (the “Fund”) is registered under the Investment Company Act of 1940, as amended, as a diversified, open-end management investment company whose primary investment objective is long term-growth of capital.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues 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: Securities listed on a securities exchange are valued at the closing sales prices on the date as of which the net asset value is being determined. Securities traded on the NASDAQ Stock Market are valued at the NASDAQ Official Closing Price. In the absence of closing sales prices for such securities and for securities traded in the over-the-counter market, the security is valued at the midpoint between the latest available and representative asked and bid prices. Short-term instruments with maturities 60 days or less at the date of purchase are valued at amortized cost, which approximates market value. Short-term instruments with maturities greater than 60 days at the date of purchase are valued at the midpoint between the latest available and representative asked and bid prices, and commencing 60 days prior to maturity such securities are valued at amortized cost. Securities for which market quotations are not readily available or that are not readily marketable and all other assets of the Fund are valued at fair value as the Board of Directors may determine in good faith. In addition, the Fund may use the fair value of a security when the closing market price on the primary exchange where the security is traded no longer accurately reflects the value of a security due to factors affecting one or more relevant securities markets or the specific issuer.

(B) Fair Value Measurements: The Fund follows fair valuation accounting standards (FASB ASC 820-10) which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

- Level 1 — Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;
- Level 2 — Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
- Level 3 — Inputs that are unobservable.

Transfers between investment levels may occur as the markets fluctuate and/or the availability of data used in an investment’s valuation changes. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the inputs used to value the Fund’s investments in securities as of June 30, 2011:

| Investments in Securities: | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|---------|---------|---------|-------|
|----------------------------|---------|---------|---------|-------|

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Assets

| | | | | |
|---------------------------------|----------------|--------------|------|----------------|
| Common Stocks | \$ 138,240,391 | \$ 0 | \$ 0 | \$ 138,240,391 |
| Short Term Investments | 0 | 2,300,000 | 0 | 2,300,000 |
| Total Investments in Securities | \$ 138,240,391 | \$ 2,300,000 | \$ 0 | \$ 140,540,391 |

The Value Line Fund, Inc.

June 30, 2011

The Fund follows the updated provisions surrounding fair value measurements and disclosures on transfers in and out of all levels of the fair value hierarchy on a gross basis and the reasons for the transfers as well as to disclosures about the valuation techniques and inputs used to measure fair value for investments that fall in either Level 2 or Level 3 fair value hierarchy.

For the six months ended June 30, 2011, there was no significant transfer activity between Level 1 and Level 2.

For the six months ended June 30, 2011, there were no Level 3 investments. The Schedule of Investments includes a breakdown of the Schedule's investments by category.

(C) Repurchase Agreements: In connection with transactions in repurchase agreements, the Fund's custodian takes possession of the underlying collateral securities, the value of which exceeds the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction exceeds one business day, it is the Fund's policy to mark-to-market on a daily basis to ensure the adequacy of the collateral. In the event of default of the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Under certain circumstances, in the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral or proceeds may be subject to legal proceedings.

(D) Federal Income Taxes: It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies, including the distribution requirements of the Tax Reform Act of 1986, and to distribute all of its taxable income and capital gains to its shareholders. Therefore, no federal income tax provision is required.

(E) Security Transactions and Distributions: Security transactions are accounted for on the date the securities are purchased or sold. Interest income is accrued as earned. Realized gains and losses on sales of securities are calculated for financial accounting and federal income tax purposes on the identified cost basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles.

(F) Foreign Currency Translation: The books and records of the Fund are maintained in U.S. dollars. Assets and liabilities which are denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange. The Fund does not isolate changes in the value of investments caused by foreign exchange rate differences from the changes due to other circumstances.

Income and expenses are translated to U.S. dollars based upon the rates of exchange on the respective dates of such transactions.

Net realized foreign exchange gains or losses arise from currency fluctuations realized between the trade and settlement dates on securities transactions, the differences between the U.S. dollar amounts of dividends, interest, and foreign withholding taxes recorded by the Fund, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, other than investments, at the end of the fiscal period, resulting from changes in the exchange rates. The effect of the change in foreign exchange rates on the value of investments is included in realized gain/loss on investments and change in net unrealized appreciation/depreciation on investments.

(G) Representations and Indemnifications: In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

The Value Line Fund, Inc.

Notes to Financial Statements (unaudited)

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

(I) Subsequent Events: Management has evaluated all subsequent transactions and events through the date on which these financial statements were issued, and except as already included in the notes to these financial statements, has determined that no additional items require disclosure.

2. Capital Share Transactions, Dividends and Distributions to Shareholders

Transactions in capital stock were as follows:

| | Six Months Ended June 30, 2011 (unaudited) | Year Ended December 31, 2010 |
|-------------------------|---|------------------------------------|
| Shares sold | 3,144,881 | 232,157 |
| Shares redeemed | (737,327) | (1,641,343) |
| Net increase/(decrease) | 2,407,554 | (1,409,186) |

3. Purchases and Sales of Securities

Purchases and sales of investment securities, excluding short-term securities, were as follows:

| | Six Months Ended June 30, 2011 (unaudited) |
|-----------------------|--|
| Purchases: | |
| Investment Securities | \$ 32,542,046 |
| Sales: | |
| Investment Securities | \$ 7,253,402 |

4. Income Taxes

At June 30, 2011, information on the tax components of capital is as follows:

| | |
|--|---------------|
| Cost of investments for tax purposes | \$ 94,286,386 |
| Gross tax unrealized appreciation | \$ 46,833,679 |
| Gross tax unrealized depreciation | (\$579,674) |
| Net tax unrealized appreciation on investments | \$ 46,254,005 |

5. Investment Advisory Fee, Service and Distribution Fees and Transactions With Affiliates

An advisory fee of \$390,384 was paid or payable to EULAV Asset Management (the "Adviser") for the six months ended June 30, 2011. This was computed at an annual rate of 0.70% of the first \$100 million of the Fund's average daily net assets plus 0.65% of the excess thereof, and paid monthly. The Adviser provides research, investment programs, supervision of the investment portfolio and pays costs of administrative services, office space, equipment

and compensation of administrative, bookkeeping, and clerical personnel necessary for managing the affairs of the Fund. The Adviser also provides persons, satisfactory to the Fund's Board of Directors, to act as officers and employees of the Fund and pays their salaries. Effective May 1, 2009 through April 30, 2012, the Adviser contractually reduced the advisory fee by 0.10% of the first \$100 million of the Fund's average daily net assets and 0.15% on the excess there of for a one year period. The fees waived amounted to \$59,567 for the six months ended June 30, 2011. The Adviser has no right to recoup previously waived amounts.

June 30, 2011

The Fund has a Service and Distribution Plan (the “Plan”), adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, which compensates EULAV Securities LLC (the “Distributor”) for advertising, marketing and distributing the Fund’s shares and for servicing the Fund’s shareholders at an annual rate of 0.25% of the Fund’s average daily net assets. For the six months ended June 30, 2011, fees amounting to \$140,611 before fee waivers were accrued under the Plan. Effective May 1, 2007 through April 30, 2012, the Distributor contractually agreed to waive the Fund’s 12b-1 fee for one year periods. For the six months ended June 30, 2011 the fees waived amounted to \$140,611. The Distributor has no right to recoup prior waivers.

For the six months ended June 30, 2011, the Fund’s expenses were reduced by \$78 under a custody credit arrangement with the custodian.

Direct expenses of the Fund are charged to the Fund while common expenses of the Value Line Funds are allocated proportionately based upon the Funds’ respective net assets. The Fund bears all other costs and expenses.

Certain officers and a Trustee of the Adviser are also officers and a director of the Fund. At June 30, 2011, the officers and directors as a group owned 729 shares of the Fund, representing less than 1% of the outstanding shares.

The Value Line Fund, Inc.

Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

| | Six Months Ended June 30, 2011 (unaudited) | | Years Ended December 31, | | | | | | |
|--|--|------------|--------------------------|------------|------------|------------|--|--|--|
| | 2010 | 2009 | 2008 | 2007 | 2006 | | | | |
| Net asset value, beginning of period | \$ 8.55 | \$ 6.81 | \$ 6.22 | \$ 12.83 | \$ 12.48 | \$ 13.14 | | | |
| Income from investment operations: | | | | | | | | | |
| Net investment income/(loss) | (0.00) | (3) 0.00 | (3) (0.01) | (0.03) | (0.01) | (0.05) | | | |
| Net gains or (losses) on securities (both realized and unrealized) | 1.20 | 1.74 | 0.60 | (6.30) | 2.37 | 0.58 | | | |
| Total from investment operations | 1.20 | 1.74 | 0.59 | (6.33) | 2.36 | 0.53 | | | |
| Less distributions: | | | | | | | | | |
| Distributions from net realized gains | — | — | — | (0.28) | (2.01) | (1.19) | | | |
| Net asset value, end of period | \$ 9.75 | \$ 8.55 | \$ 6.81 | \$ 6.22 | \$ 12.83 | \$ 12.48 | | | |
| Total return Ratios/Supplemental Data: | 14.04 | %(4) 25.55 | % 9.49 | % (49.28) | % 19.50 | % 4.00 | | | |
| Net assets, end of period (in thousands) | \$ 142,364 | \$ 104,200 | \$ 92,680 | \$ 93,099 | \$ 203,274 | \$ 197,349 | | | |
| Ratio of expenses to average net assets(1) | 1.22 | %(5) 1.31 | %(6) 1.36 | % 1.17 | % 1.08 | % 1.12 | | | |
| Ratio of expenses to average net assets(2) | 0.87 | %(5) 0.91 | %(7) 1.04 | % 0.92 | % 0.82 | % 1.04 | | | |
| Ratio of net investment income/(loss) to average net assets | (0.06) | %(5) 0.02 | % (0.22) | % (0.26) | % (0.11) | % (0.37) | | | |
| Portfolio turnover rate | 7 | %(4) 27 | % 122 | % 273 | % 216 | % 224 | | | |

(1) Ratio reflects expenses grossed up for custody credit arrangement and grossed up for the waiver of the advisory fees by the Adviser and the service and distribution plan fees by the Distributor. The ratio of expenses to average net assets net of custody credits, but exclusive of the fee waivers, would have been 1.07% for the year ended

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December 31, 2007 and would not have changed for the other periods shown.

- (2) Ratio reflects expenses net of the custody credit arrangement and net of the waiver of the advisory fee by the Adviser and the service and distribution plan fees by the Distributor.
- (3) Amount is less than \$.01 per share.
- (4) Not annualized.
- (5) Annualized.
- (6) Ratio reflects expenses grossed up for the reimbursement by Value Line, Inc. of certain expenses incurred by the Fund.
- (7) Ratio reflects expenses net of the reimbursement by Value Line, Inc. of certain expenses incurred by the Fund.

See Notes to Financial Statements.

The Value Line Fund, Inc.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (“SEC”) for the first and third quarters of each fiscal year on Form N-Q. The Fund’s Forms N-Q are available on the SEC’s website at <http://www.sec.gov> and may be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the Fund voted these proxies for the 12-month period ended June 30 is available through the Fund’s website at <http://www.vlfunds.com> and on the SEC’s website at <http://www.sec.gov>. The description of the policies and procedures is also available without charge, upon request, by calling 1-800-243-2729.

The Value Line Fund, Inc.

Management of the Fund

MANAGEMENT INFORMATION

The business and affairs of the Fund are managed by the Fund's officers under the direction of the Board of Directors. The following table sets forth information on each Director and Officer of the Fund. Each Director serves as a director or trustee of each of the 14 Value Line Funds. Each Director serves until his or her successor is elected and qualified.

| Name, Address, and YOB | Position | Length of Time Served | Principal Occupation During the Past 5 Years | Other Directorships Held by Director |
|--|----------|-----------------------|--|--|
| Interested Director* Mitchell E. Appel YOB: 1970 | Director | Since 2010 | President of each of the Value Line Funds since June 2008; President of the Adviser and Distributor since February 2009; Chief Financial Officer of Value Line, Inc. ("Value Line") from April 2008 to December 2010 and from September 2005 to November 2007; Director of Value Line, Inc. February 2010 to December 2010 and Treasurer from June 2005 to September 2005; Chief Financial Officer of XTF Asset Management from November 2007 to April 2008. | None |
| Non-Interested Directors | | | | |
| Joyce E. Heinzerling 500 East 77th Street New York, NY 10162 YOB: 1956 | Director | Since 2008 | President, Meridian Fund Advisers LLC. (consultants) since April 2009; General Counsel, Archery Capital LLC (private investment fund) until April 2009. | Burnham Investors Trust, since 2004 (4 funds). |
| Francis C. Oakley 54 Scott Hill Road Williamstown, MA 01267 YOB: 1931 | Director | Since 2000 | Professor of History, Williams College, (1961-2002). Professor Emeritus since 2002; President Emeritus since 1994 and President, (1985-1994); Chairman (1993-1997) and Interim President (2002-2003) of the American Council of Learned Societies. Trustee since 1997 and Chairman of the Board since 2005, National Humanities Center. | None |
| David H. Porter 5 Birch Run Drive Saratoga Springs, NY 12866 YOB: 1935 | Director | Since 1997 | Professor, Skidmore College since 2008; Visiting Professor of Classics, Williams College, (1999-2008); President Emeritus, Skidmore College since 1999 and President, (1987-1998). | None |

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| | | | | |
|--|----------|------------|---|------|
| Paul Craig Roberts 169 Pompano St. Panama City Beach, FL 32413 YOB: 1939 | Director | Since 1983 | Chairman, Institute for Political Economy. | None |
|--|----------|------------|---|------|

The Value Line Fund, Inc.

Management of the Fund

| Name, Address, and YOB | Position | Length of Time Served | Principal Occupation During the Past 5 Years | Other Directorships Held by Director |
|---|--|-----------------------------|---|--|
| Nancy-Beth Sheerr 1409 Beaumont Drive Gladwyne, PA 19035 YOB: 1949 | Director | Since 1996 | Senior Financial Adviser, Veritable L.P. (Investment Adviser). | None |
| Daniel S. Vandivort 59 Indian Head Road Riverside, CT 06878 YOB: 1954 | Director (Chairman of Board since 2010) | Since 2008 | President, Chief Investment Officer, Weiss, Peck and Greer/Robeco Investment Management (2005-2007); Managing Director, Weiss, Peck and Greer, (1995-2005). | None |
| Mitchell E. Appel YOB: 1970 | President | Since 2008 | President of each of the Value Line Funds since June 2008; President of the Adviser and Distributor since February 2009; Chief Financial Officer of Value Line, Inc. ("Value Line") from April 2008 to December 2010 and from September 2005 to November 2007; Director of Value Line, Inc. February 2010 to December 2010 and Treasurer from June 2005 to September 2005; Chief Financial Officer of XTF Asset Management from November 2007 to April 2008. | |
| Michael J. Wagner YOB: 1950 | Chief Compliance Officer | Since 2009 | Chief Compliance Officer of Value Line Funds since June 2009; President of Northern Lights Compliance Services, LLC (formerly Fund Compliance Services, LLC (2006 – present)) and Senior Vice President (2004- 2006) and President and Chief Operations Officer (2003-2006) of Gemini Fund Services, LLC; Director of Constellation Trust Company until 2008. | |
| Emily D. Washington YOB: 1979 | Treasurer and Secretary | Since 2008 | Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer) of each of the Value Line Funds since August 2008 and Secretary since 2010; Associate Director of Mutual Fund Accounting at Value Line until August 2008. | |

* Mr. Appel is an "interested person" as defined in the Investment Company Act of 1940 by virtue of his position with the Adviser and Distributor.

Unless otherwise indicated, the address for each of the above officers is c/o Value Line Funds, 7 Times Square, New York, NY 10036.

The Fund's Statement of Additional Information (SAI) includes additional information about the Fund's Directors and is available, without charge, upon request by calling 1-800-243-2729 or on the Fund's website, www.vlfunds.com.

The Value Line Fund, Inc.

The Value Line Family of Funds

1950 — The Value Line Fund seeks long-term growth of capital. Current income is a secondary objective.

1952 — Value Line Income and Growth Fund's primary investment objective is income, as high and dependable as is consistent with reasonable risk. Capital growth to increase total return is a secondary objective.

1956 — Value Line Premier Growth Fund seeks long-term growth of capital. No consideration is given to current income in the choice of investments.

1972 — Value Line Larger Companies Fund's sole investment objective is to realize capital growth.

1979 — Value Line U.S. Government Money Market Fund, a money market fund, seeks to secure as high a level of current income as is consistent with maintaining liquidity and preserving capital. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

1981 — Value Line U.S. Government Securities Fund seeks maximum income without undue risk to capital. Under normal conditions, at least 80% of the value of its net assets will be invested in securities issued or guaranteed by the U.S. Government and its agencies and instrumentalities.

1983 — Value Line Centurion Fund* seeks long-term growth of capital.

1984 — The Value Line Tax Exempt Fund seeks to provide investors with the maximum income exempt from federal income taxes while avoiding undue risk to principal. The fund may be subject to state and local taxes and the Alternative Minimum Tax (if applicable).

1985 — Value Line Convertible Fund seeks high current income together with capital appreciation primarily from convertible securities ranked 1, 2 or 3 for the year-ahead performance by the Value Line Convertible Ranking System.

1986 — Value Line Aggressive Income Trust seeks to maximize current income.

1987 — Value Line New York Tax Exempt Trust seeks to provide New York taxpayers with the maximum income exempt from New York State, New York City and federal income taxes while avoiding undue risk to principal. The Trust may be subject to state and local taxes and the Alternative Minimum Tax (if applicable).

1987 — Value Line Strategic Asset Management Trust* seeks to achieve a high total investment return consistent with reasonable risk.

1993 — Value Line Emerging Opportunities Fund invests in US common stocks of small capitalization companies, with its primary objective being long-term growth of capital.

1993 — Value Line Asset Allocation Fund seeks high total investment return, consistent with reasonable risk. The Fund invests in stocks, bonds and money market instruments utilizing quantitative modeling to determine the asset mix.

*

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Only available through the purchase of Guardian Investor, a tax deferred variable annuity, or ValuePlus, a variable life insurance policy.

For more complete information about any of the Value Line Funds, including charges and expenses, send for a prospectus from EULAV Securities LLC, 7 Times Square, New York, New York 10036-6524 or call 1-800-243-2729, 9am-5pm CST, Monday-Friday, or visit us at www.vlfunds.com. Read the prospectus carefully before you invest or send money.

Item 11. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-2(c) under the Act (17 CFR 270.30a-2(c)) based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this report, are appropriately designed to ensure that material information relating to the registrant is made known to such officers and are operating effectively.
- (b) The registrant's principal executive officer and principal financial officer have determined that there have been no significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including corrective actions with regard to significant deficiencies and material weaknesses.

Item 12. Exhibits.

- (a) (1) Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2) attached hereto as Exhibit 99.CERT.
 - (2) Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 attached hereto as Exhibit 99.906.CERT.
-

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.

By: /s/ Mitchell E. Appel
Mitchell E. Appel, President

Date: September 7, 2011

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: /s/ Mitchell E. Appel
Mitchell E. Appel, President, Principal Executive Officer

By: /s/ Emily D. Washington
Emily D. Washington, Treasurer, Principal Financial Officer

Date: September 7, 2011