

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

VALUE LINE FUND INC
Form N-CSR/A
May 20, 2005

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 811-568

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

220 East 42nd Street, New York, N.Y. 10017

(Address of principal executive offices) (Zip Code)

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

Date of fiscal year end: December 31, 2004

Date of reporting period: December 31, 2004

Item I. Reports to Stockholders.

A copy of the Annual Report to Stockholders for the period ended 12/31/04 is included with this Form.

Item 2. Code of Ethics

(a) The Registrant has adopted a Code of Ethics that applies to its principal executive officer, and principal financial officer and principal accounting officer.

(f) Pursuant to item 12(a), the Registrant is attaching as an exhibit a copy of its Code of Ethics that applies to its principal executive officer, and principal financial officer and principal accounting officer.

Item 3. Audit Committee Financial Expert.

(a) (1) The Registrant has an Audit Committee Financial Expert serving on its Audit Committee.

(2) The Registrant's Board has designated John W. Chandler, a member of the Registrant's Audit Committee, as the Registrant's Audit Committee Financial Expert. Mr. Chandler is an independent director who is a senior consultant with Academic Search Consultation Service. He spent most of his professional career at Williams College, where he served as a faculty member, Dean of the Faculty, and President (1973-85). He

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

also served as President of Hamilton College (1968-73), and as President of the Association of American Colleges and Universities (1985-90). He has also previously served as Trustee Emeritus and Chairman of the Board of Trustees of Duke University.

A person who is designated as an "audit committee financial expert" shall not make such person an "expert" for any purpose, including without limitation under Section 11 of the Securities Act of 1933 or under applicable fiduciary laws, as a result of being designated or identified as an audit committee financial expert. The designation or identification of a person as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services

- (a) Audit Fees 2004 - \$8,891; Audit Fees 2003 - \$29,140.
- (b) Audit-Related fees - None.
- (c) Tax Preparation Fees 2004 -\$5,940; Tax Preparation Fees 2003 - \$6,840.
- (d) All Other Fees - None
- (e) (1) Audit Committee Pre-Approval Policy. All services to be performed for the Registrant by PricewaterhouseCoopers LLP must be pre-approved by the audit committee. All services performed during 2004 and 2003 were pre-approved by the committee.
- (e) (2) Not applicable.
- (f) Not applicable.
- (g) Aggregate Non-Audit Fees 2004 -\$5,940; Aggregate Non-Audit Fees 2003-\$6,840.
- (h) Not applicable.

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

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

evaluation, including corrective actions with regard to significant deficiencies and material weaknesses.

Item 12. Exhibits.

- (a) Code of Business Conduct and Ethics for Principal Executive and Senior Financial Officers attached hereto as Exhibit 100.COE
- (b) (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/ Jean B. Buttner

Jean B. Buttner, President

Date: 05/20/2005

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/ Jean B. Buttner

Jean B. Buttner, President, Principal Executive Officer

/s/ David T. Henigson

By: David T. Henigson, Vice President, Treasurer, Principal Financial Officer

Date: 05/20/2005

INVESTMENT ADVISER Value Line, Inc.
220 East 42nd Street
New York, NY 10017-5891

DISTRIBUTOR Value Line Securities, Inc.
220 East 42nd Street
New York, NY 10017-5891

CUSTODIAN BANK State Street Bank and Trust Co.
225 Franklin Street

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

Boston, MA 02110

SHAREHOLDER
SERVICING AGENT

State Street Bank and Trust Co.
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

LEGAL COUNSEL

Peter D. Lowenstein, Esq.
Two Sound View Drive, Suite 100
Greenwich, CT 06830

DIRECTORS

Jean Bernhard Buttner
John W. Chandler
Frances T. Newton
Francis C. Oakley
David H. Porter
Paul Craig Roberts
Marion N. Ruth
Nancy-Beth Sheerr

OFFICERS

Jean Bernhard Buttner
Chairman and President
Sigourney B. Romaine
Vice President
John J. Koller
Vice President
David T. Henigson
Vice President and
Secretary/Treasurer
Joseph Van Dyke
Assistant Secretary/Treasurer

This report is issued for information of 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).

#532848

ANNUAL REPORT

December 31, 2004

The Value Line
Fund, Inc.

[VALUE LINE LOGO]

The Value Line Fund, Inc.

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

TO OUR VALUE LINE

TO OUR SHAREHOLDERS:

The Value Line Fund beat its S&P 500 benchmark in 2004, returning 12.09%, including dividends, compared with 10.88% for the S&P 500 Index(1). The Fund's strong performance was ahead of the S&P thanks to a strong fourth-quarter performance: the Fund gained 13.28% in the December period, compared with 9.22% for the S&P 500.

Stocks generally rose in the first quarter, but prices seesawed down during the second and third quarters, and the broad indices generally touched their year's lows in the late summer. The ensuing rally represented most of the gains in 2004, or, in the case of the Dow Jones Industrial Average, more than the year's total return. Stocks benefited from strong earnings gains, which generally exceeded analysts' forecasts for the year. Although the Federal Reserve raised short-term interest rates five times during 2004, rising rates had little effect on stock prices last year.

The Value Line Fund generally invests in stocks that are ranked in the highest category for price performance over the next six to twelve months by the Value Line Timeliness Ranking System. The system favors stocks with strong price and earnings momentum relative to those of all other companies in the Value Line Investment Survey of approximately 1,700 stocks. At times, however, stock prices move well in advance of positive changes in earnings, and sometimes whole sectors do better in the market than in the Ranking System. This was the case in 2004, when the Fund's performance was hurt by underweighting the energy sector, which was the best-performing group in 2004. On the other hand, the Fund's underweighting in consumer staples helped its performance, as that sector returned less than the S&P last year.

We appreciate your continued support and look forward to serving you in the New Year.

Sincerely,

/s/ Jean Bernhard Buttner
Jean Bernhard Buttner
Chairman and President

February 16, 2005

(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, and it is not possible to directly invest in this index.

2

The Value Line Fund, Inc.

FUND SHAREHOLDERS

ECONOMIC OBSERVATIONS

The maturing business expansion continues to move along at a healthy 3%-4% pace, a level of growth that is underpinned by moderate and steady levels of consumer spending and industrial activity. Moreover, recent trends suggest that the present rate of improvement on the economic front will be sustained over the next several quarters.

Helping the expansion along should be high levels of activity in the housing, auto, retail, manufacturing, and service sectors. This steady growth is likely to be accompanied by modest levels of inflation for the most part. The wild card in the equation, and the reason that we are not forecasting an even greater level of economic growth, is the near-record price of oil. High oil prices threaten the sustainability of the business expansion and the level of price stability.

The continuing moderate pace of gross domestic product growth and accompanying modest inflation should have positive ramifications. That's because this combination probably will allow the Federal Reserve Board to pursue a measured monetary tightening course over the next year. Our feeling is that the Fed will increase rates sufficiently to keep inflation subdued, in the aggregate, but will not raise rates aggressively enough to derail the business expansion.

Our economic forecast, it should be noted, excludes allowances for a further escalation in global military conflict or a new incidence of worldwide terrorism, neither of which can be predicted with any degree of accuracy as to scope or timing.

3

The Value Line Fund, Inc.

COMPARISON OF A CHANGE IN VALUE OF A \$10,000 INVESTMENT
IN THE VALUE LINE FUND
AND THE S&P 500 Stock Index*

[The following table was depicted as a line chart in the printed material.]

Date	\$ Value Value Line Fund	\$ Value S&P 500 Index
----	----	----
1/1/1995	10,000	10,000
3/31/1995	10,892	10,974
6/30/1995	11,659	12,021
9/30/1995	12,827	12,976
12/31/1995	13,212	13,758
3/31/1996	14,351	14,496
6/30/1996	15,130	15,147

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

9/30/1996	15,817	15,615
12/31/1996	16,188	16,916
3/31/1997	15,738	17,368
6/30/1997	18,099	20,400
9/30/1997	20,161	21,930
12/31/1997	19,682	22,559
3/31/1998	21,443	25,706
6/30/1998	22,000	26,555
9/30/1998	19,105	23,913
12/31/1998	23,669	29,006
3/31/1999	25,978	30,451
6/30/1999	26,720	32,597
9/30/1999	25,540	30,562
12/31/1999	29,997	35,109
3/31/2000	31,402	35,915
6/30/2000	29,825	34,960
9/30/2000	29,814	34,622
12/31/2000	25,391	31,913
3/31/2001	22,266	28,129
6/30/2001	23,621	29,775
9/30/2001	19,747	25,405
12/31/2001	22,135	28,120
3/31/2002	22,159	28,197
6/30/2002	19,286	24,419
9/30/2002	16,712	20,201
12/31/2002	16,524	21,905
3/31/2003	16,403	21,215
6/30/2003	17,926	24,481
9/30/2003	18,168	25,128
12/31/2003	19,214	28,188
3/31/2004	19,429	28,665
6/30/2004	19,497	29,158
9/30/2004	19,011	28,613
12/31/2004	21,536	31,254

* The Standard and Poor's 500 Index (S&P 500 Index) is an unmanaged index that is representative of the larger-capitalization stocks traded in the United States.

The return for the index does not reflect expenses which are deducted from the Fund's returns.

PERFORMANCE DATA:**

	AVERAGE ANNUAL TOTAL RETURN	GROWTH OF AN ASSUMED INVESTMENT OF \$10,000
	-----	-----
1 year ended 12/31/04	+12.09%	\$11,209
5 years ended 12/31/04	-6.41%	\$ 7,180
10 years ended 12/31/04	+7.97%	\$21,536

** The performance data quoted represent past performance and are no guarantee of future performance. The average annual total returns and growth of an assumed investment of \$10,000 include dividends reinvested and capital gains distributions accepted in shares. The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than its original cost. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

The Value Line Fund, Inc.

FUND EXPENSES:

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 (July 1, 2004 through December 31, 2004).

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 the other funds.

Please note that the expenses in the table are meant to highlight your ongoing costs and will not help you determine the relative total cost of owning different funds.

	BEGINNING ACCOUNT VALUE 7/1/04 -----	ENDING ACCOUNT VALUE 12/31/04 -----	EXPENSES* PAID DURING PERIOD 7/1/04 THRU 12/31/04 -----
Actual	\$1,000.00	\$1,104.60	\$5.98
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.46	\$5.74

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

* Expenses are equal to the Fund's annualized expense ratio of 1.13% multiplied by the average account value over the period, multiplied by 184/366 to reflect the one-half period.

5

Value Line Fund, Inc.

PORTFOLIO HIGHLIGHTS AT DECEMBER 31, 2004 (UNAUDITED)

TEN LARGEST HOLDINGS

ISSUE	SHARES	VALUE (IN THOUSANDS)	PERCENTAGE OF NET ASSETS
Macromedia Inc.	116,100	\$3,613	1.68%
Cendant Corp.	154,100	3,603	1.68
Sapient Corp.	454,000	3,591	1.67
Penney (J.C.) Co. Inc.	86,300	3,573	1.66
Cree, Inc.	86,900	3,563	1.66
NVR Inc.	4,600	3,539	1.65
Urban Outfitters, Inc.	79,400	3,525	1.64
American Eagle Outfitters, Inc.	74,600	3,514	1.63
Cal Dive International, Inc.	86,100	3,508	1.63
Yahoo! Inc.	92,600	3,489	1.62

ASSET ALLOCATION

Stocks	95.5%
Cash & Other	4.5%

EQUITY SECTOR WEIGHTINGS

Technology	36.40%
Industrial Cyclical	21.59%
Retail Trade	12.49%
Services	8.48%
Energy	5.41%
Consumer Durables	5.18%
Health	3.02%
Utilities	2.25%
Non-Durables	1.78%
Finance	1.70%
Other	1.70%

6

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

The Value Line Fund, Inc.

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2004

SHARES		VALUE (IN THOUSANDS)

COMMON STOCKS (95.5%)		
	AEROSPACE/DEFENSE (3.1%)	
71,300	Armor Holdings, Inc.*.....	\$3,353
86,500	United Industrial Corp.	3,351

		6,704
	BIOTECHNOLOGY (0.5%)	
17,900	Amgen Inc.*.....	1,148
	CHEMICAL -- BASIC (1.1%)	
39,500	Lyondell Chemical Company.....	1,142
52,300	Olin Corporation.....	1,152

		2,294
	CHEMICAL -- DIVERSIFIED (1.6%)	
60,000	Eastman Chemical Company.....	3,464
	COAL (1.1%)	
27,400	Joy Global Inc.	1,190
14,300	Peabody Energy Corp.	1,157

		2,347
	COMPUTER & PERIPHERALS (2.7%)	
53,900	Apple Computer, Inc.*.....	3,471
27,600	Dell, Inc.*.....	1,163
35,900	Network Appliance, Inc.*.....	1,193

		5,827
	COMPUTER SOFTWARE & SERVICES (11.9%)	
55,100	Adobe Systems, Inc.	3,457
19,300	Affiliated Computer Services, Inc.*.....	1,162
83,200	Anteon International Corp.*.....	3,483
30,700	Autodesk, Inc.*.....	1,165
50,600	CACI International, Inc.*.....	3,447
46,000	Citrix Systems, Inc.*.....	1,128
28,400	Cognizant Technology Solutions Corp. Class "A"*.....	1,202
26,700	Cognos Inc.*.....	1,177

		5,740

		25,626
	DIVERSIFIED COMPANIES (2.7%)	
154,100	Cendant Corp.	3,603
82,500	Park-Ohio Holdings Corp.*.....	2,137

		5,740
	E-COMMERCE (3.4%)	

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

49,900	Internet Security Systems, Inc.*.....	1,160
454,000	Sapient Corporation*.....	3,591
95,200	TIBCO Software, Inc.*.....	1,270
22,900	Websense, Inc.*.....	1,162

		7,183
	EDUCATIONAL SERVICES (0.6%)	
17,400	Bright Horizons Family Solutions, Inc.*	1,127
4,000	ITT Educational Services, Inc.*.....	190

		1,317
	ELECTRICAL EQUIPMENT (3.8%)	
56,700	Garmin Ltd.	3,450
23,400	Rockwell Automation, Inc.	1,159
112,000	Thomas & Betts Corp.*.....	3,444

		8,053
	ELECTRICAL UTILITY -- CENTRAL (0.5%)	
17,800	TXU Corp.	1,149
	ELECTRONICS (2.7%)	
27,200	Harman International Industries, Inc.	3,455
88,600	Intermagnetics General Corp.*.....	2,251

		5,706

7

The Value Line Fund, Inc.

SCHEDULE OF INVESTMENTS

SHARES		VALUE (IN THOUSANDS)
	FINANCIAL SERVICES -- DIVERSIFIED (0.5%)	
21,500	SLM Corp.	\$1,148
	FOOD WHOLESALERS (0.7%)	
40,600	Nash Finch Company.....	1,533
	HOME APPLIANCE (0.6%)	
13,400	Black & Decker Corp. (The).....	1,184
	HOMEBUILDING (2.8%)	
5,000	Beazer Homes USA, Inc.	731
5,500	KB Home.....	574
4,600	NVR, Inc.*.....	3,539
17,400	Toll Brothers, Inc.*.....	1,194

		6,038
	HOTEL/GAMING (0.5%)	
20,700	Station Casinos, Inc.	1,132
	HUMAN RESOURCES (1.5%)	
159,500	Korn/Ferry International*.....	3,310
	INDUSTRIAL SERVICES (0.5%)	
20,700	C.H. Robinson Worldwide, Inc.	1,149

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

	INFORMATION SERVICES (1.6%)	
62,500	Advisory Board Co. (The)*.....	2,305
20,000	FactSet Research Systems, Inc.	1,169

		3,474
	INTERNET (2.2%)	
10,100	eBay, Inc.*	1,175
92,600	Yahoo!, Inc.*.....	3,489

		4,664
	MARITIME (1.5%)	
194,300	OMI Corporation.....	3,274
SHARES		VALUE
		(IN THOUSANDS)

	MEDICAL SERVICES (2.2%)	
9,200	Aetna Inc.	\$1,148
34,700	American Healthways, Inc.*.....	1,147
41,300	Community Health Systems, Inc.*.....	1,151
13,500	UnitedHealth Group Inc.	1,188

		4,634
	MEDICAL SUPPLIES (3.3%)	
32,600	Affymetrix, Inc.*.....	1,192
40,600	Biosite, Inc.*.....	2,498
126,200	Cytoc Corp.*.....	3,479

		7,169
	NATURAL GAS -- DIVERSIFIED (2.1%)	
67,300	Southwestern Energy Co.*.....	3,411
32,500	XTO Energy, Inc.	1,150

		4,561
	OILFIELD SERVICES/EQUIPMENT (1.6%)	
86,100	Cal Dive International, Inc.*.....	3,508
	PAPER & FOREST PRODUCTS (0.5%)	
34,000	MeadWestvaco Corp.	1,152
	PETROLEUM -- PRODUCING (0.5%)	
23,700	Berry Petroleum Co. Class "A".....	1,131
	PHARMACY SERVICES (0.5%)	
29,700	Walgreen Co.	1,140
	POWER INDUSTRY (0.4%)	
27,200	Headwaters, Inc.*	775
	PRECISION INSTRUMENT (1.9%)	
10,000	Kronos Incorporated*.....	511
81,500	II-VI, Inc.*.....	3,463

		3,974

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

DECEMBER 31, 2004

SHARES		VALUE (IN THOUSANDS)
	RAILROAD (2.2%)	
19,300	Canadian National Railway Co.	\$ 1,182
95,700	Norfolk Southern Corp.	3,463

		4,645
	RESTAURANT (1.2%)	
94,800	CKE Restaurants, Inc.*	1,376
20,400	P.F. Chang's China Bistro, Inc.*	1,149

		2,525
	RETAIL BUILDING SUPPLY (3.2%)	
88,600	Building Materials Holding Corp.	3,393
81,100	Home Depot, Inc. (The)	3,466

		6,859
	RETAIL -- SPECIAL LINES (4.7%)	
26,000	Aeropostale, Inc.*	765
74,600	American Eagle Outfitters, Inc.	3,514
29,200	Bed Bath & Beyond, Inc.*	1,163
38,600	Quiksilver, Inc.*	1,150
79,400	Urban Outfitters, Inc.*	3,525

		10,117
	RETAIL STORE (2.8%)	
24,200	Costco Wholesale Corp.	1,171
24,600	Kohl's Corp.*	1,210
86,300	Penney (J.C.) Co., Inc.	3,573

		5,954
	SEMICONDUCTOR (1.7%)	
88,900	Cree, Inc.*	3,563
	STEEL -- GENERAL (5.3%)	
58,500	Carpenter Technology Corp.	3,420
23,400	Commercial Metals Co.	1,183
64,100	Nucor Corp.	3,355
122,200	Steel Technologies Inc.	3,362

		11,320
		VALUE (IN THOUSANDS)
	STEEL -- INTEGRATED (1.6%)	
230,200	AK Steel Holding Corp.*	\$ 3,331
	TELECOMMUNICATION SERVICES (1.6%)	
118,600	Western Wireless Corp. Class "A"*	3,475
	TELECOMMUNICATIONS EQUIPMENT (4.7%)	
128,000	Juniper Networks, Inc.*	3,480
97,100	Marvell Technology Group Ltd.*	3,444
77,400	QUALCOMM, Incorporated.	3,282

		10,206
	TOILETRIES/COSMETICS (0.1%)	
7,800	Chattam, Inc.*	258

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

	TRUCKING (3.2%)	
25,400	Arkansas Best Corp.	1,140
52,500	Heartland Express, Inc.	1,180
77,400	Hunt (J.B.) Transport Services, Inc.	3,471
20,800	Yellow Roadway Corp.*.....	1,159

		6,950
	WIRELESS NETWORKING (2.1%)	
50,300	Itron, Inc.*.....	1,203
41,100	Research In Motion Ltd.*.....	3,387

		4,590

TOTAL COMMON STOCKS AND TOTAL INVESTMENT SECURITIES (95.5%) (COST \$173,024,000).....		205,301

		9

The Value Line Fund, Inc.

SCHEDULE OF INVESTMENTS DECEMBER 31, 2004

PRINCIPAL AMOUNT (IN THOUSANDS)	VALUE (IN THOUSANDS EXCEPT PER SHARE AMOUNT)

REPURCHASE AGREEMENTS (6.5%) (INCLUDING ACCRUED INTEREST)	
\$8,000 Collateralized by \$7,427,000 U.S. Treasury Bonds 5.50%, due 8/15/28, with a value of \$8,174,000 (with UBS Warburg LLC, 1.50%, dated 12/31/04, due 1/3/05, delivery value \$8,001,000).....	\$ 8,000
6,100 Collateralized by \$5,895,000 U.S. Treasury Bonds 11.75%, due 2/15/10, with a value of \$6,218,000 (with Morgan Stanley, 1.40%, dated 12/31/04, due 1/3/05, delivery value \$6,101,000).....	6,100

TOTAL REPURCHASE AGREEMENTS (COST \$14,100,000).....	14,100

EXCESS OF LIABILITIES OVER CASH AND OTHER ASSETS (-2.0%).....	(4,376)

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

NET ASSETS (100.0%)	\$215,025
	=====
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER OUTSTANDING SHARE (\$215,025,253 + 15,466,680 SHARES OF CAPITAL STOCK OUTSTANDING)	\$ 13.90
	=====

* Non-income producing

See Notes to Financial Statements.

10

The Value Line Fund, Inc.

STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31, 2004

	(IN THOUSANDS EXCEPT PER SHARE AMOUNT)

ASSETS:	
Investment securities, at value (Cost - \$173,024)	\$205,301

Repurchase agreements (Cost - \$14,100)	14,100
Cash	94
Receivable for securities sold	8,975
Dividends receivable	85
Receivable for capital shares sold	32
Prepaid expenses	4

TOTAL ASSETS	228,591

LIABILITIES:	
Payable for securities purchased	13,060
Payable for capital shares repurchased	252
Accrued expenses:	
Advisory fee	122
Service and distribution plan fees	45
Other	87

TOTAL LIABILITIES	13,566

NET ASSETS	\$215,025
	=====
NET ASSETS CONSIST OF:	
Capital stock, at \$1.00 par value (authorized 50,000,000, outstanding 15,466,680 shares)	\$ 15,467
Additional paid-in capital	157,213
Undistributed net investment income	8
Undistributed net realized gain on investments	10,060
Net unrealized appreciation of investments	32,277

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

NET ASSETS	\$215,025
	=====
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER OUTSTANDING SHARE (\$215,025,253 + 15,466,680 SHARES OUTSTANDING)	\$ 13.90
	=====

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2004

	(IN THOUSANDS)

INVESTMENT INCOME:	
Dividends (Net of foreign withholding taxes of \$12)	\$ 1,017
Interest	108

Total Income	1,125

EXPENSES:	
Advisory fee	1,377
Service and distribution plan fees	510
Transfer agent fees	141
Auditing and legal fees	64
Printing	44
Custodian fees	44
Postage	38
Insurance	29
Registration and filing fees	23
Telephone	22
Directors' fees and expenses.....	21

Total Expenses before Custody Credits	2,313
Less: Custody Credits	(3)

Net Expenses	2,310

NET INVESTMENT LOSS	(1,185)

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS:	
Net Realized Gain	24,093
Change in Net Unrealized Appreciation	635

NET REALIZED GAIN AND CHANGE IN NET UNREALIZED APPRECIATION ON INVESTMENTS	24,728

NET INCREASE IN NET ASSETS FROM OPERATIONS	\$23,543
	=====

See Notes to Financial Statements.

11

The Value Line Fund, Inc.

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

	YEAR ENDED DECEMBER 31, 2004	YEAR ENDED DECEMBER 31, 2003
(IN THOUSANDS)		
OPERATIONS:		
Net investment loss	\$ (1,185)	\$ (1,185)
Net realized gain on investments	24,093	24,093
Change in net unrealized appreciation	635	635
Net increase in net assets from operations	23,543	23,543
DISTRIBUTIONS TO SHAREHOLDERS:		
Net realized gain from investment transactions	(28,186)	(28,186)
CAPITAL SHARE TRANSACTIONS:		
Proceeds from sale of shares	7,470	7,470
Proceeds from reinvestment of distributions to shareholders	26,514	26,514
Cost of shares repurchased	(30,363)	(30,363)
Increase from capital share transactions	3,621	3,621
TOTAL (DECREASE) INCREASE IN NET ASSETS	(1,022)	(1,022)
NET ASSETS:		
Beginning of year	216,047	216,047
End of year	\$ 215,025	\$ 215,025
Undistributed net investment income, end of year	\$ 8	\$ 8

See Notes to Financial Statements.

12

The Value Line Fund, Inc.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

1. SIGNIFICANT ACCOUNTING POLICIES

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

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

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 of 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 mid point 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) 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, the value of the collateral is marked-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.

(C) 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 to its shareholders. Therefore, no federal income tax or excise tax provision is required.

(D) 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.

(E) REPRESENTATIONS AND IDEMNIFICATIONS. In the normal course of business the Fund enters into contract that contain a variety of representations and warranties which provide general indemnifications. The maximum exposure under these arrangements is unknown, as this would involve future claims that may be made

13

The Value Line Fund, Inc.

NOTES TO FINANCIAL STATEMENTS

against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

2. CAPITAL SHARE TRANSACTIONS, DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

Transactions in capital stock were as follows (in thousands except per share amounts):

	YEAR ENDED DECEMBER 31, 2004	YEAR ENDED DECEMBER 31, 2003
Shares sold	512	4,159
Shares issued to shareholders in reinvestment of dividends and distributions	1,910	1,520
Shares repurchased	2,422 (2,117)	5,679 (5,608)
Net increase	305	71
Distributions per share from net realized gains	\$ 2.07	\$ 1.63

3. PURCHASES AND SALES OF SECURITIES

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

	YEAR ENDED DECEMBER 31, 2004
	(IN THOUSANDS)
PURCHASES:	
Investment Securities	\$582,663
SALES:	
Investment Securities	\$610,631

4. INCOME TAXES

At December 31, 2004, information on the tax components of capital is as follows:

	(in thousands)
Cost of investments for tax purposes	\$ 187,448
Gross tax unrealized appreciation	\$ 32,797
Gross tax unrealized depreciation	(844)
Net tax unrealized appreciation on investments	\$ 31,953
Undistributed ordinary income	\$ 10,208
Undistributed long-term gains	\$ 184

Net realized gains/losses differ for financial statement and tax purposes primarily due to differing treatments of wash sales.

The tax composition of distributions to shareholders for the years ended

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

December 31, 2004 and 2003 were all from net long-term capital gains.

14

The Value Line Fund, Inc.

DECEMBER 31, 2004

5. INVESTMENT ADVISORY CONTRACT, MANAGEMENT FEES AND TRANSACTIONS WITH AFFILIATES

An advisory fee of \$1,377,000 was paid or payable to Value Line, Inc., the "Adviser", for the year ended December 31, 2004. This was computed at the rate of .70% of the first \$100 million of the Fund's average daily net assets plus .65% on 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 and wages. The Fund bears all other costs and expenses.

The Fund has a Service and Distribution Plan (the "Plan"), adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, for the payment of certain expenses incurred by Value Line Securities, Inc. (the "Distributor"), a wholly-owned subsidiary of the Adviser, in 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 year ended December 31, 2004, fees amounting to \$510,000 were paid or payable to the Distributor under this Plan.

Certain officers and directors of the Adviser and its wholly owned subsidiary, Value Line Securities, Inc. (the Fund's distributor and a registered broker/dealer), are also officers and directors of the Fund. During the year ended December 31, 2004, the Fund paid brokerage commissions totaling \$574,000 to the Distributor, which clears its transactions through unaffiliated brokers.

For the year ended December 31, 2004, the Fund's expenses were reduced by \$3,000 under a custody credit arrangement with the Custodian.

The Adviser and/or affiliated companies and the Value Line, Inc. Profit Sharing and Savings Plan owned 474,679 shares of the Fund's capital stock, representing 3.1% of the outstanding shares at December 31, 2004.

15

The Value Line Fund, Inc.

FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH YEAR:

YEARS ENDED DECEMBER

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

	2004	2003	2002
NET ASSET VALUE, BEGINNING OF YEAR	\$14.25	\$13.67	\$18.49
INCOME (LOSS) FROM INVESTMENT OPERATIONS:			
Net investment (loss) income	(.08)	(.03)	(.05)
Net gains or losses on securities (both realized and unrealized)	1.80	2.24	(4.64)
Total from investment operations	1.72	2.21	(4.69)
LESS DISTRIBUTIONS:			
Distributions from net realized gains	(2.07)	(1.63)	(.13)
NET ASSET VALUE, END OF YEAR	\$13.90	\$14.25	\$13.67
TOTAL RETURN	12.09%	16.28%	(25.35)%
RATIOS/SUPPLEMENTAL DATA:			
Net assets, end of year (in thousands)	\$215,025	\$216,047	\$206,338
Ratio of expenses to average net assets (1).....	1.13%	1.13%	1.11%
Ratio of net investment (loss) income to average net assets	(0.58)%	(0.19)%	(0.31)%
Portfolio turnover rate	297%	129%	33%

(1) Ratios reflect expenses grossed up for custody credit arrangement. The ratio of expenses to average net assets net of custody credits would have been 1.03% for the year ended December 31, 2001, and unchanged for the years ended December 31, 2004, 2003, 2002, and 2000.

See Notes to Financial Statements.

16

The Value Line Fund, Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS
OF THE VALUE LINE FUND, INC.

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of The Value Line Fund, Inc. (the "Fund") at December 31, 2004, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2004 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York

February 18, 2005

17

The Value Line Fund, Inc.

2004 TAX NOTICE TO SHAREHOLDERS (UNAUDITED)

For the year ended December 31, 2004 the Fund distributed \$28,185,626 of long-term capital gain to shareholders.

MANAGEMENT OF THE FUND

MANAGEMENT INFORMATION

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 and oversees a total of 15 portfolios. Each Director serves until his or her successor is elected and qualified.

NAME, ADDRESS, AND AGE	POSITION	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION DURING THE PAST 5 YEARS

INTERESTED DIRECTORS*			

Jean Bernhard Buttner Age 70	Chairman of the Board of Directors and President	Since 1983	Chairman, President and Chief Executive Officer of Value Line, Inc. (the "Adviser") and Value Line Publishing, Inc.; Chairman and President of each of the 14 Value Line Funds and Value Line Securities, Inc. (the "Distributor").

Marion N. Ruth 5 Outrider Road Rolling Hills, CA 90274 Age 70	Director	Since 2000	Real Estate Executive: President, Ruth Realty (re- estate broker); Director Adviser since 2000.

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

NON-INTERESTED DIRECTORS

John W. Chandler 1611 Cold Spring Rd. Williamstown, MA 01267 Age 81	Director	Since 1991	Consultant, Academic Search Consultation Service, Inc. Trustee Emeritus and Chairman (1993-1994) of the Board of Trustees of Duke University; President Emeritus, Williams College

Frances T. Newton 4921 Buckingham Drive Charlotte, NC 28209 Age 63	Director	Since 2000	Customer Support Analyst, Duke Power Company.

18

The Value Line Fund, Inc.

MANAGEMENT OF THE FUND

NAME, ADDRESS, AND AGE	POSITION	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION DURING THE PAST 5 YEARS

Francis C. Oakley 54 Scott Hill Road Williamstown, MA 01267 Age 73	Director	Since 2000	Professor of History, Williams College, 1961 to 2002; President Emeritus since 1994 and President, 1985-1994; Chairman (1993- 1997) and Interim President (2002) of the American Council of Learned Societies.

David H. Porter 5 Birch Run Drive Saratoga Springs, NY 12866 Age 69	Director	Since 1997	Visiting Professor of Classics, Williams College, since 1999; President Emeritus, Skidmore College since 1999 and President, 1987-1998.

Paul Craig Roberts 169 Pompano St. Panama City Beach, FL 32413 Age 66	Director	Since 1983	Chairman, Institute for Political Economy.

Nancy-Beth Sheerr 1409 Beaumont Drive Gladwyne, PA 19035	Director	Since 1996	Senior Financial Advisor, Hawthorne, since January 2001; Chairman, Radcliffe

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

Age 56

College Board of Trustees,
1990-1999.

19

The Value Line Fund, Inc.

MANAGEMENT OF THE FUND

NAME, ADDRESS, AND AGE	POSITION	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION DURING THE PAST 5 YEARS
OFFICERS			
Sigourney B. Romaine Age 61	Vice President	Since 2004	Portfolio Manager Adviser since 2000 Securities Analyst Adviser, 1996-2000
John J. Koller Age 36	Vice President	Since 2004	Portfolio Manager Adviser since 2000 Securities Analyst Adviser, 2000-2000
David T. Henigson Age 46	Vice President, Secretary and Treasurer	Since 1994	Director, Vice President Compliance Officer Adviser; Director Vice President of Distributor; Vice Secretary, Treasurer Chief Compliance of each of the 14 Value Line Funds.

* Mrs. Buttner is an "interested person" as defined in the Investment Company Act of 1940 by virtue of her positions with the Adviser and her indirect ownership of a controlling interest in the Adviser; Mrs. Ruth is an interested person by virtue of having been a director of the Adviser.

Unless otherwise indicated, the address for each of the above is 220 East 42nd Street, New York, NY 10017.

20

The Value Line Fund, Inc.

(This page has been left blank intentionally.)

21

The Value Line Fund, Inc.

(This page has been left blank intentionally.)

22

The Value Line Fund, Inc.

(This page has been left blank intentionally.)

23

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.

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

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 -- THE VALUE LINE SPECIAL SITUATIONS FUND seeks long-term growth of capital. No consideration is given to current income in the choice of investments.

1972 -- VALUE LINE LEVERAGED GROWTH INVESTORS' sole investment objective is to realize capital growth.

1979 -- THE VALUE LINE CASH 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 offers investors a choice of two portfolios: The Money Market Portfolio and The National Bond Portfolio. 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 or 2 for 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 fund 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 primarily in common stocks or securities convertible into common stock, 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.

* 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 Value Line Securities, Inc.,

Edgar Filing: VALUE LINE FUND INC - Form N-CSR/A

220 East 42nd Street, New York, New York 10017-5891 or call 1-800-243-2729, 24 hours a day, 7 days a week, or visit us at www.valueline.com. Read the prospectus carefully before you invest or send money.

24