

LIBERTY ALL STAR EQUITY FUND  
Form N-Q  
November 29, 2005

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

OMB APPROVAL  
OMB Number: 3235-0578  
Expires: February 28, 2006  
Estimated average burden hours per  
response.....20.0

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-4809

Liberty All-Star Equity Fund  
(Exact name of registrant as specified in charter)

One Financial Center, Boston, Massachusetts  
(Address of principal executive offices)

02111  
(Zip code)

Vincent Pietropaolo, Esq.

Columbia Management Group, Inc.

One Financial Center

Boston, MA 02111  
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-617-772-3698

Date of fiscal year end: 12/31/05

Date of reporting period: 9/30/05

---

**Item 1. Schedule of Investments.**

---

## Schedule of Investments as of September 30, 2005 (Unaudited)

|   | SHARES  | MARKET VALUE  |
|---|---------|---------------|
| <b>COMMON STOCKS (98.2%)</b>                    |         |               |
| <b>CONSUMER DISCRETIONARY (20.7%)</b>           |         |               |
| <b>Auto Components (1.6%)</b>                   |         |               |
| Johnson Controls, Inc.                          | 190,775 | \$ 11,837,589 |
| Magna International, Inc., Class A              | 78,800  | 5,898,968     |
| Visteon Corp. (a)                               | 430,600 | 4,211,268     |
|   |         | 21,947,825    |
| <b>Automobiles (0.5%)</b>                       |         |               |
| Honda Motor Co., Ltd. (b)                       | 232,250 | 6,595,900     |
| <b>Diversified Consumer Services (0.8%)</b>     |         |               |
| Apollo Group, Inc., Class A (a)                 | 151,300 | 10,044,807    |
| <b>Hotels, Restaurants &amp; Leisure (3.5%)</b> |         |               |
| Carnival Corp.                                  | 144,225 | 7,208,365     |
| GTECH Holdings Corp.                            | 40,075  | 1,284,804     |
| Harrah's Entertainment, Inc.                    | 88,000  | 5,736,720     |
| Marriott International, Inc., Class A           | 90,000  | 5,670,000     |
| Starbucks Corp. (a)                             | 282,360 | 14,146,236    |
| Starwood Hotels & Resorts Worldwide, Inc.       | 226,975 | 12,976,161    |
|   |         | 47,022,286    |
| <b>Household Durables (1.1%)</b>                |         |               |
| Newell Rubbermaid, Inc.                         | 149,825 | 3,393,536     |
| Whirlpool Corp.                                 | 139,950 | 10,604,012    |
|   |         | 13,997,548    |
| <b>Internet &amp; Catalog Retail (3.6%)</b>     |         |               |
| Amazon.com, Inc. (a)                            | 474,600 | 21,499,380    |
| eBay, Inc. (a)                                  | 635,400 | 26,178,480    |
|   |         | 47,677,860    |
| <b>Media (5.1%)</b>                             |         |               |
| Comcast Corp., Class A (a)                      | 285,000 | 8,202,300     |
| Getty Images, Inc. (a)                          | 75,000  | 6,453,000     |
| Interpublic Group of Companies, Inc. (a)        | 460,000 | 5,354,400     |
| Liberty Global, Inc., Class A (a)               | 150,537 | 4,076,542     |
| Liberty Global, Inc., Series C (a)              | 151,712 | 3,906,584     |
| Liberty Media Corp., Class A (a)                | 882,561 | 7,104,616     |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|  | SHARES  | MARKET VALUE |
|--|---------|--------------|
| <b>COMMON STOCKS (CONTINUED)</b>               |         |              |
| <b>Media (continued)</b>                       |         |              |
| Pixar, Inc. (a)                                | 206,100 | \$ 9,173,511 |
| Time Warner, Inc.                              | 410,000 | 7,425,100    |
| The Walt Disney Co.                            | 224,000 | 5,405,120    |
| XM Satellite Radio Holdings, Inc., Class A (a) | 299,280 | 10,747,145   |
|  |         | 67,848,318   |
| <b>Multiline Retail (1.5%)</b>                 |         |              |
| J.C. Penney Co., Inc.                          | 120,100 | 5,695,142    |
| Kohl's Corp. (a)                               | 43,900  | 2,202,902    |
| Wal-Mart Stores, Inc.                          | 287,400 | 12,593,868   |
|  |         | 20,491,912   |
| <b>Specialty Retail (3.0%)</b>                 |         |              |
| Circuit City Stores, Inc.                      | 56,800  | 974,688      |
| Foot Locker, Inc.                              | 69,450  | 1,523,733    |
| The Gap, Inc.                                  | 420,000 | 7,320,600    |
| RadioShack Corp.                               | 240,525 | 5,965,020    |
| Ross Stores, Inc.                              | 300,000 | 7,110,000    |
| TJX Companies, Inc.                            | 573,825 | 11,751,936   |
| Williams-Sonoma, Inc. (a)                      | 155,000 | 5,944,250    |
|  |         | 40,590,227   |
| <b>CONSUMER STAPLES (3.0%)</b>                 |         |              |
| <b>Food &amp; Staples Retailing (0.9%)</b>     |         |              |
| Walgreen Co.                                   | 281,000 | 12,209,450   |
| <b>Food Products (2.1%)</b>                    |         |              |
| Dean Foods Co. (a)                             | 58,800  | 2,284,968    |
| General Mills, Inc.                            | 128,700 | 6,203,340    |
| Sara Lee Corp.                                 | 617,175 | 11,695,466   |
| Tate & Lyle PLC (b)                            | 229,075 | 7,363,502    |
|  |         | 27,547,276   |
| <b>ENERGY (3.6%)</b>                           |         |              |
| <b>Energy Equipment &amp; Services (1.9%)</b>  |         |              |
| Halliburton Co.                                | 144,000 | 9,866,880    |
| Schlumberger Ltd.                              | 85,000  | 7,172,300    |
| Tidewater, Inc.                                | 176,000 | 8,565,920    |
|  |         | 25,605,100   |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|   | SHARES  | MARKET VALUE |
|---|---------|--------------|
| <b>COMMON STOCKS (CONTINUED)</b>              |         |              |
| <b>Oil, Gas &amp; Consumable Fuels (1.7%)</b> |         |              |
| BP PLC (b)                                    | 88,200  | \$ 6,248,970 |
| Burlington Resources, Inc.                    | 114,000 | 9,270,520    |
| Newfield Exploration Co. (a)                  | 130,000 | 6,383,000    |
|   |         | 21,902,490   |
| <b>FINANCIALS (20.4%)</b>                     |         |              |
| <b>Capital Markets (2.2%)</b>                 |         |              |
| Merrill Lynch & Co., Inc.                     | 150,000 | 9,202,500    |
| Morgan Stanley                                | 383,925 | 20,708,915   |
|   |         | 29,911,415   |
| <b>Commercial Banks (2.9%)</b>                |         |              |
| Bank of America Corp. (c)                     | 170,000 | 7,157,000    |
| Bank of New York Co., Inc.                    | 291,000 | 8,558,310    |
| Comerica, Inc.                                | 117,925 | 6,945,782    |
| Commerce Bancorp, Inc.                        | 253,330 | 7,774,698    |
| Fifth Third Bancorp                           | 80,000  | 2,938,400    |
| Hudson City Bancorp, Inc.                     | 111,075 | 1,321,793    |
| North Fork Bancorporation, Inc.               | 154,125 | 3,930,187    |
|   |         | 38,626,170   |
| <b>Diversified Financial Services (3.4%)</b>  |         |              |
| CIT Group, Inc.                               | 126,925 | 5,734,471    |
| Citigroup, Inc.                               | 495,200 | 22,541,504   |
| J.P. Morgan Chase & Co.                       | 489,175 | 16,597,708   |
|   |         | 44,873,683   |
| <b>Insurance (9.0%)</b>                       |         |              |
| AFLAC, Inc.                                   | 66,200  | 2,998,860    |
| Allstate Corp.                                | 134,625 | 7,443,416    |
| American International Group, Inc.            | 214,450 | 13,287,322   |
| Aon Corp.                                     | 509,725 | 16,351,978   |
| Genworth Financial, Inc., Class A             | 190,825 | 6,152,198    |
| Loews Corp.                                   | 64,837  | 5,991,587    |
| Marsh & McLennan Companies, Inc.              | 232,700 | 7,071,753    |
| MetLife, Inc.                                 | 255,975 | 12,755,234   |
| The Progressive Corp.                         | 232,105 | 24,317,641   |

See Notes to Schedule of Investments.

|  | SHARES  | MARKET VALUE |
|--|---------|--------------|
| <b>COMMON STOCKS (CONTINUED)</b>                   |         |              |
| <b>Insurance (continued)</b>                       |         |              |
| RenaissanceRe Holdings Ltd.                        | 49,650  | \$ 2,171,195 |
| Torchmark Corp.                                    | 212,875 | 11,246,186   |
| XL Capital Ltd., Class A                           | 151,550 | 10,309,947   |
|  |         | 120,097,317  |
| <b>Real Estate (0.4%)</b>                          |         |              |
| Host Marriott Corp.                                | 50,000  | 845,000      |
| The St. Joe Co.                                    | 11,500  | 718,175      |
| Trizec Properties, Inc., REIT                      | 177,350 | 4,089,691    |
|  |         | 5,652,866    |
| <b>Thrifts &amp; Mortgage Finance (2.5%)</b>       |         |              |
| Fannie Mae   | 399,450 | 17,903,349   |
| Freddie Mac  | 214,950 | 12,136,077   |
| The PMI Group, Inc.                                | 14,375  | 573,131      |
| Washington Mutual, Inc.                            | 72,075  | 2,826,782    |
|  |         | 33,439,339   |
| <b>HEALTH CARE (13.1%)</b>                         |         |              |
| <b>Biotechnology (6.1%)</b>                        |         |              |
| Affymetrix, Inc. (a)                               | 147,000 | 6,795,810    |
| Amgen, Inc. (a)                                    | 184,800 | 14,723,016   |
| Charles River Laboratories International, Inc. (a) | 124,000 | 5,408,880    |
| Genentech, Inc. (a)                                | 306,200 | 25,785,102   |
| Genzyme Corp. (a)                                  | 114,800 | 8,224,272    |
| Invitrogen Corp. (a)                               | 87,000  | 6,545,010    |
| MedImmune, Inc. (a)                                | 424,000 | 14,267,600   |
|  |         | 81,749,690   |
| <b>Health Care Equipment &amp; Supplies (2.5%)</b> |         |              |
| Alcon, Inc.  | 69,800  | 8,926,024    |
| Boston Scientific Corp. (a)                        | 270,000 | 6,309,900    |
| Fisher Scientific International, Inc. (a)          | 120,000 | 7,446,000    |
| St. Jude Medical, Inc. (a)                         | 147,300 | 6,893,640    |
| Varian Medical Systems, Inc. (a)                   | 96,355  | 3,806,986    |
|  |         | 33,382,550   |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|  | SHARES    | MARKET VALUE  |
|--|-----------|---------------|
| <b>COMMON STOCKS (CONTINUED)</b>                   |           |               |
| <b>Health Care Providers &amp; Services (1.8%)</b> |           |               |
| AmerisourceBergen Corp.                            | 155,550   | \$ 12,024,015 |
| HCA, Inc.  | 116,325   | 5,574,294     |
| McKesson Corp.                                     | 20,900    | 991,705       |
| Triad Hospitals, Inc. (a)                          | 117,750   | 5,330,543     |
|  |           | 23,920,557    |
| <b>Pharmaceuticals (2.7%)</b>                      |           |               |
| Bristol-Myers Squibb Co.                           | 420,000   | 10,105,200    |
| Pfizer, Inc.                                       | 654,450   | 16,341,616    |
| Wyeth  | 206,000   | 9,531,620     |
|  |           | 35,978,436    |
| <b>INDUSTRIALS (10.3%)</b>                         |           |               |
| <b>Aerospace &amp; Defense (2.6%)</b>              |           |               |
| The Boeing Co.                                     | 347,175   | 23,590,541    |
| Bombardier, Inc., Class B                          | 1,154,500 | 2,853,440     |
| Goodrich Corp.                                     | 52,775    | 2,340,044     |
| L-3 Communications Holdings, Inc.                  | 82,000    | 6,483,740     |
|  |           | 35,267,765    |
| <b>Airlines (0.2%)</b>                             |           |               |
| AMR Corp. (a)                                      | 68,850    | 769,743       |
| Southwest Airlines Co.                             | 137,500   | 2,041,875     |
|  |           | 2,811,618     |
| <b>Commercial Services &amp; Supplies (0.5%)</b>   |           |               |
| Monster Worldwide, Inc. (a)                        | 215,000   | 6,602,650     |
| <b>Construction &amp; Engineering (0.2%)</b>       |           |               |
| Jacobs Engineering Group, Inc. (a)                 | 35,000    | 2,359,000     |
| <b>Electrical Equipment (1.7%)</b>                 |           |               |
| ABB Ltd. (a)(b)                                    | 140,200   | 1,031,872     |
| American Power Conversion Corp.                    | 581,200   | 15,053,080    |
| Emerson Electric Co.                               | 82,000    | 5,887,600     |
|  |           | 21,972,552    |
| <b>Industrial Conglomerates (2.2%)</b>             |           |               |
| General Electric Co.                               | 421,200   | 14,181,804    |
| Tyco International Ltd.                            | 534,825   | 14,894,876    |
|  |           | 29,076,680    |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|  | SHARES    | MARKET VALUE |
|--|-----------|--------------|
| <b>COMMON STOCKS (CONTINUED)</b>                     |           |              |
| <b>Machinery (1.2%)</b>                              |           |              |
| Caterpillar, Inc.                                    | 140,000   | \$ 8,225,000 |
| Deere & Co.  | 7,025     | 429,930      |
| Navistar International Corp. (a)                     | 229,175   | 7,432,145    |
|  |           | 16,087,075   |
| <b>Road &amp; Rail (1.5%)</b>                        |           |              |
| CSX Corp.  | 178,775   | 8,309,462    |
| Swift Transportation Co., Inc. (a)                   | 78,075    | 1,381,928    |
| Union Pacific Corp.                                  | 152,350   | 10,923,495   |
|  |           | 20,614,885   |
| <b>Trading Companies &amp; Distributors (0.2%)</b>   |           |              |
| Hughes Supply, Inc.                                  | 98,125    | 3,198,875    |
| <b>INFORMATION TECHNOLOGY (21.8%)</b>                |           |              |
| <b>Communications Equipment (2.7%)</b>               |           |              |
| Cisco Systems, Inc. (a)                              | 207,200   | 3,715,096    |
| Motorola, Inc.                                       | 380,000   | 8,394,200    |
| Nokia Oyj (b)  | 470,000   | 7,947,700    |
| QUALCOMM, Inc.                                       | 354,400   | 15,859,400   |
|  |           | 35,916,396   |
| <b>Computers &amp; Peripherals (2.6%)</b>            |           |              |
| Dell, Inc. (a)                                       | 244,900   | 8,375,580    |
| EMC Corp. (a)  | 547,500   | 7,084,650    |
| Hewlett-Packard Co.                                  | 312,800   | 9,133,760    |
| Network Appliance, Inc. (a)                          | 441,415   | 10,479,192   |
|  |           | 35,073,182   |
| <b>Electronic Equipment &amp; Instruments (3.4%)</b> |           |              |
| Agilent Technologies, Inc. (a)                       | 397,800   | 13,027,950   |
| AU Optronics Corp. (b)                               | 392,980   | 5,093,021    |
| Avnet, Inc. (a)                                      | 240,775   | 5,886,949    |
| Celestica, Inc. (a)                                  | 155,650   | 1,760,401    |
| Sanmina-SCI Corp. (a)                                | 1,250,875 | 5,366,254    |
| Symbol Technologies, Inc.                            | 680,030   | 6,582,690    |
| Vishay Intertechnology, Inc. (a)                     | 600,000   | 7,170,000    |
|  |           | 44,887,265   |

See Notes to Schedule of Investments.



|  | SHARES  | MARKET VALUE  |
|--|---------|---------------|
| <b>COMMON STOCKS (CONTINUED)</b>                           |         |               |
| <b>Internet Software &amp; Services (2.9%)</b>             |         |               |
| Google, Inc., Class A (a)                                  | 37,600  | \$ 11,898,896 |
| VeriSign, Inc. (a)   | 200,000 | 4,274,000     |
| Yahoo!, Inc. (a)   | 668,100 | 22,608,504    |
|  |         | 38,781,400    |
| <b>IT Services (1.3%)</b>                                  |         |               |
| BearingPoint, Inc. (a)                                     | 566,005 | 4,295,978     |
| Computer Sciences Corp. (a)                                | 196,350 | 9,289,318     |
| Convergys Corp. (a)  | 23,700  | 340,569       |
| First Data Corp.   | 90,000  | 3,600,000     |
|  |         | 17,525,865    |
| <b>Semiconductors &amp; Semiconductor Equipment (4.4%)</b> |         |               |
| Analog Devices, Inc.                                       | 155,000 | 5,756,700     |
| Intel Corp.  | 649,000 | 15,997,850    |
| Maxim Integrated Products, Inc.                            | 254,350 | 10,848,027    |
| Novellus Systems, Inc. (a)                                 | 319,300 | 8,008,044     |
| Teradyne, Inc. (a)   | 195,875 | 3,231,938     |
| Texas Instruments, Inc.                                    | 240,000 | 8,136,000     |
| Xilinx, Inc.   | 238,100 | 6,631,085     |
|  |         | 58,609,644    |
| <b>Software (4.5%)</b>                                     |         |               |
| Adobe Systems, Inc.  | 201,570 | 6,016,865     |
| Autodesk, Inc.   | 158,000 | 7,337,520     |
| Computer Associates International, Inc.                    | 455,208 | 12,659,334    |
| Electronic Arts, Inc. (a)                                  | 171,100 | 9,733,879     |
| Microsoft Corp.  | 676,675 | 17,410,848    |
| Oracle Corp. (a)   | 550,000 | 6,814,500     |
| Symantec Corp. (a)   | 3,430   | 77,724        |
|  |         | 60,050,670    |
| <b>MATERIALS (1.9%)</b>                                    |         |               |
| <b>Chemicals (1.3%)</b>                                    |         |               |
| Bayer AG (b)   | 86,935  | 3,199,208     |
| Lyondell Chemical Co.                                      | 27,200  | 778,464       |
| The Mosaic Co. (a)   | 458,025 | 7,337,560     |
| Praxair, Inc.  | 134,000 | 6,422,620     |
|  |         | 17,737,852    |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|   | SHARES  | MARKET VALUE         |
|---|---------|----------------------|
| <b>COMMON STOCKS (CONTINUED)</b>                      |         |                      |
| <b>Containers &amp; Packaging (0.1%)</b>              |         |                      |
| Pactiv Corp. (a)                                      | 98,925  | \$ 1,733,166         |
| <b>Paper &amp; Forest Products (0.5%)</b>             |         |                      |
| Abitibi Consolidated, Inc.                            | 379,925 | 1,538,696            |
| International Paper Co.                               | 164,482 | 4,901,564            |
|   |         | 6,440,260            |
| <b>TELECOMMUNICATION SERVICES (0.3%)</b>              |         |                      |
| <b>Diversified Telecommunication Services (0.0%)</b>  |         |                      |
| Sprint Nextel Corp.                                   | 17,450  | 414,961              |
| <b>Wireless Telecommunication Services (0.3%)</b>     |         |                      |
| Telephone & Data Systems, Inc.                        | 33,550  | 1,308,450            |
| Telephone & Data Systems, Inc., Special Common Shares | 71,825  | 2,697,029            |
|   |         | 4,005,479            |
| <b>UTILITIES (3.1%)</b>                               |         |                      |
| <b>Electric Utilities (0.5%)</b>                      |         |                      |
| Exelon Corp.  | 125,000 | 6,680,000            |
| <b>Independent Power Producers (1.3%)</b>             |         |                      |
| NRG Energy, Inc. (a)                                  | 90,525  | 3,856,365            |
| Reliant Energy, Inc. (a)                              | 877,175 | 13,543,582           |
|   |         | 17,399,947           |
| <b>Multi-Utilities (1.3%)</b>                         |         |                      |
| Sempra Energy   | 153,400 | 7,219,004            |
| Wisconsin Energy Corp.                                | 234,475 | 9,360,242            |
|   |         | 16,579,246           |
| <b>TOTAL COMMON STOCKS (COST OF \$1,181,583,884)</b>  |         | <b>1,310,939,455</b> |

|                                 | INTEREST RATE | MATURITY DATE | PAR VALUE  |
|---------------------------------|---------------|---------------|------------|
| <b>CONVERTIBLE BONDS (0.0%)</b> |               |               |            |
| <b>INDUSTRIALS (0.0%)</b>       |               |               |            |
| <b>Airlines (0.0%)</b>          |               |               |            |
| AMR Corp<br>(Cost of \$141,123) | 8.00%         | 06/03/23      | \$ 176,000 |
|                                 |               |               | 142,569    |

See Notes to Schedule of Investments.

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

|   | PAR VALUE     | MARKET VALUE     |
|---|---------------|------------------|
| <b>SHORT-TERM INVESTMENT (2.1%)</b>   |               |                  |
| <b>REPURCHASE AGREEMENT (2.1%)</b>  |               |                  |
| Repurchase agreement with State Street Bank & Trust Co., dated 09/30/05, due 10/03/05 at 3.15%, collateralized by several U.S. Treasury Bonds with various maturity dates, market value of \$29,229,213 (repurchase proceeds \$28,650,519) (Cost of \$28,643,000) | \$ 28,643,000 | \$ 28,643,000    |
| <b>TOTAL INVESTMENTS (100.3%) (COST OF \$1,210,368,007)</b>   |               | 1,339,725,024    |
| <b>OTHER ASSETS &amp; LIABILITIES, NET (-0.3%)</b>  |               | (4,453,493)      |
| <b>NET ASSETS (100.0%)</b>  |               | \$ 1,335,271,531 |
| <b>NET ASSET VALUE PER SHARE (152,790,940 SHARES OUTSTANDING)</b>   |               | \$ 8.74          |

**NOTES TO SCHEDULE OF INVESTMENTS:**

**Security Valuation**

Equity securities are valued at the last sale price at the close of the principal exchange on which they trade. Unlisted securities or listed securities for which there were no sales during the day are valued at the closing bid price on such exchanges or over-the-counter markets.

Debt securities generally are valued by pricing services approved by the Fund's Board of Trustees (the Board), based upon market transactions for normal, institutional size trading units of similar securities. The services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other data, as well as broker quotes. Debt securities for which quotations are readily available are valued at an over-the-counter or exchange bid quotation.

Short-term debt obligations maturing in more than 60 days for which market quotations are readily available are valued at current market value. Short-term debt obligations maturing within 60 days are valued at amortized cost, which approximates market value.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith under procedures approved by and under the general supervision of the Board.

- (a) Non-income producing security.
- (b) Represents an American Depositary Receipt.
- (c) Investments in affiliates during the nine months ended September 30, 2005

|                        |                              |
|------------------------|------------------------------|
| <b>Security name:</b>  | <b>Bank of America Corp.</b> |
| Shares as of 12/31/04: | 228,912                      |

Edgar Filing: LIBERTY ALL STAR EQUITY FUND - Form N-Q

Shares purchased:

|                         |    |           |
|-------------------------|----|-----------|
| Shares sold:            |    | 58,912    |
| Shares as of 09/30/05:  |    | 170,000   |
| Net realized gain:      | \$ | 539,279   |
| Dividend income earned: | \$ | 264,520   |
| Value at end of period: | \$ | 7,157,000 |

Gross unrealized appreciation and depreciation of investments at September 30, 2005 is as follows:

|                               |    |               |
|-------------------------------|----|---------------|
| Gross unrealized appreciation | \$ | 234,484,549   |
| Gross unrealized depreciation |    | (105,127,532) |
| Net unrealized appreciation   | \$ | 129,357,017   |

**ACRONYM**

**NAME**

|      |                              |
|------|------------------------------|
| REIT | Real Estate Investment Trust |
|------|------------------------------|

---

**Item 2. Controls and Procedures.**

(a) The registrant's principal executive officer and principal financial officer, based on his evaluation of the registrant's disclosure controls and procedures as of a date within 90 days of the filing of this report, has concluded that such controls and procedures are adequately designed to ensure that information required to be disclosed by the registrant in Form N-Q is accumulated and communicated to the registrant's management, including the principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) attached hereto as Exhibit 99.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.

|                          |  |
|--------------------------|--|
| (registrant)             | Liberty All-Star Equity Fund   |
| By (Signature and Title) | /s/ William R. Parmentier, Jr<br>William R. Parmentier, Jr., President |
| Date                     | November 28, 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 (Signature and Title) | /s/ William R. Parmentier, Jr<br>William R. Parmentier, Jr., President |
|--------------------------|--|

|      |                   |
|------|-------------------|
| Date | November 28, 2005 |
|------|-------------------|

|                          |   |
|--------------------------|---|
| By (Signature and Title) | /s/ J. Kevin Connaughton<br>J. Kevin Connaughton, Treasurer |
|--------------------------|---|

|      |                   |
|------|-------------------|
| Date | November 28, 2005 |
|------|-------------------|

---