

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

VAN KAMPEN SENIOR INCOME TRUST  
Form N-CSR  
September 29, 2004

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-08743

Van Kampen Senior Income Trust

-----  
(Exact name of registrant as specified in charter)

1221 Avenue of the Americas New York, New York 10020

-----  
(Address of principal executive offices) (Zip code)

Ronald Robison  
1221 Avenue of the Americas New York, New York 10020

-----  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-762-4000

Date of fiscal year end: 7/31

Date of reporting period: 7/31/04

Item 1. Reports to Shareholders.

The Trust's annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

Welcome, Shareholder

In this report, you'll learn about how your investment in Van Kampen Senior Income Trust performed during the annual period. The portfolio management team will provide an overview of the market conditions and discuss some of the factors that affected investment performance during the reporting period. In addition, this report includes the trust's financial statements and a list of trust investments as of July 31, 2004.

MARKET FORECASTS PROVIDED IN THIS REPORT MAY NOT NECESSARILY COME TO PASS. THERE IS NO ASSURANCE THAT THE TRUST WILL ACHIEVE ITS INVESTMENT OBJECTIVE. THE TRUST IS SUBJECT TO MARKET RISK, WHICH IS THE POSSIBILITY THAT THE MARKET VALUES OF SECURITIES OWNED BY THE TRUST WILL DECLINE AND THAT THE VALUE OF THE TRUST SHARES MAY THEREFORE BE LESS THAN WHAT YOU PAID FOR THEM. ACCORDINGLY, YOU CAN LOSE MONEY INVESTING IN THIS TRUST. PLEASE SEE THE PROSPECTUS FOR MORE COMPLETE INFORMATION ON INVESTMENT RISKS.



## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

The fiscal year ended July 31, 2004 was a highly favorable period for the senior-loan market. Strong fundamental factors worked in the market's favor: Gross Domestic Product (GDP) growth topped 4 percent at an annual rate for three of the last four calendar quarters, inflation remained in check, and interest rates finally began to rise in early 2004. As the economy continued to improve, so too did corporate financial performance. Over the past few years, companies have had to become much more efficient in order to thrive in an era of lower prices and greater competition. Companies' gains in efficiency have led to considerable operating leverage, which has helped boost profits. These factors, coupled with improving credit quality and rising productivity, all contributed to the senior loan market's strong performance during the period.

Yield spreads in the senior-loan market (the yield differential between senior loans and short-term lending rates, such as LIBOR) continued to contract, reaching near-historic lows by the end of the reporting period. This narrowing of spreads enabled more companies to access the senior-loan market at very favorable terms. At the same time, demand for and inflows into senior loans continued to rise, particularly from institutional investors, as the asset class has gained growing recognition as a defensive investment. Significantly lower default rates also added to the attractiveness of the senior-loan market. As a result, investors readily absorbed the record amounts of new issues that came to market during the period, and demand and supply remained in equilibrium.

### PERFORMANCE ANALYSIS

A closed-end fund's return can be calculated upon either the market price or the net asset value (NAV) of its shares. NAV per share is determined by dividing the value of the trust's portfolio securities, cash and other assets, less all liabilities, by the total number of common shares outstanding, while market price reflects the supply and demand for the shares. As a result, the two returns

### TOTAL RETURN FOR THE 12-MONTH PERIOD ENDED JULY 31, 2004

-----	-----
BASED ON NAV	BASED ON MARKET PRICE
11.62%	18.13%
-----	-----

Past performance is no guarantee of future results. Investment return, net asset value and common share market price will fluctuate and trust shares, when sold, may be worth more or less than their original cost. See Performance Summary for additional performance information.

(1) Team members may change without notice at any time.

2

can differ significantly, as they did during the reporting period. For the 12-months ended July 31, 2004, the trust returned 18.13 percent on a market-price basis, and 11.62 percent on an NAV basis.

We believe that the trust's strong performance is the result, in part, of our successfully working through the more challenging credits of the past--a process

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

that can take up to two years to complete. It is also a reflection of our larger, experienced team of analysts and the thorough fundamental research they conduct, which we believe has led to better investment decisions. We continue to focus on identifying those companies that exhibit strong management, solid and predictable cash flows, and collateral that is sufficient to provide a healthy "second way out." This bottom-up security-selection process resulted in an emphasis on the cable, printing and publishing, and health-care sectors during the reporting period. We also identified some attractive opportunities in telecommunications, and we added slightly to the portfolio's holdings in this sector. The trust's allocation to hotels, motels and gaming also increased during the reporting period. This industry has been strong this year as consumers are generally traveling and spending more, and our analysis identified issuers that offered compelling returns with strong asset coverage.

The trust also benefited during the period from our use of leverage. This strategy involves borrowing at a short-term lending rate such as LIBOR and reinvesting the proceeds at a spread above that rate. We use leverage on an ongoing basis in an effort to enhance the trust's dividend, as it did during the reporting period. Our strategy entails less interest-rate risks than that inherent in more traditional leverage strategies, which involve borrowing at short-term rates and lending at long-term rates.

In an effort to limit risk, we continued to keep the trust broadly diversified, which helps enhance the portfolio's defensive characteristics. In addition, while we do not practice sector selection, we do avoid certain industries that have historically been poor performers in the senior-loan arena, such as fashion and retail.

Looking ahead, while growth in corporate profits may level off, we believe that absolute profitability and pricing power are likely to remain strong and that companies will be able to continue to generate free cash flow. For these reasons, we believe the environment for senior loans should continue to be quite favorable in the coming months. We will continue with our disciplined investment approach, seeking a relatively stable net asset value for the trust and attractive yields.

3

### SUMMARY OF INVESTMENTS BY INDUSTRY CLASSIFICATION AS OF 07/31/04

INDUSTRY	PERCENT OF TOTAL INVESTMENTS
----------	------------------------------

Printing & Publishing	7.7%
Broadcasting--Cable	7.1
Hotels, Motels, Inns & Gaming	6.8
Beverage, Food & Tobacco	6.8
Entertainment & Leisure	6.4
Chemicals, Plastics & Rubber	5.5
Containers, Packaging & Glass	5.1
Medical Products & Services	4.9
Telecommunications--Wireless	3.9
Healthcare	3.8
Automotive	3.7
Ecological	3.1
Electronics	2.9
Retail--Stores	2.6
Buildings & Real Estate	2.3
Utilities	2.2
Aerospace/Defense	2.2
Natural Resources	1.8

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

Construction Material	1.5
Finance	1.3
Insurance	1.3
Home & Office Furnishings, Housewares & Durable Consumer Products	1.3
Transportation--Personal	1.2
Telecommunications--Local Exchange Carriers	1.1
Healthcare & Beauty	1.1
Non-Durable Consumer Products	1.0
Personal & Miscellaneous Services	0.9
Retail--Oil & Gas	0.9
Retail--Specialty	0.8
Diversified Manufacturing	0.7
Broadcasting--Diversified	0.7
Machinery	0.7
Transportation--Cargo	0.6
Business Equipment	0.5
Farming & Agriculture	0.5
Pharmaceuticals	0.4
Broadcasting--Radio	0.4
Telecommunications--Long Distance	0.4
Grocery	0.4
Mining, Steel, Iron & Non-Precious Metals	0.4
Broadcasting--Television	0.3
Education & Child Care	0.2
Transportation--Rail Manufacturing	0.1
	-----
Total Long-Term Investments	97.5%
Short-Term Investments	2.5
	-----
Total Investments	100.0%

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. All percentages are as a percentage of total investments. Van Kampen is a wholly owned subsidiary of a global securities firm which is engaged in a wide range of financial services including, for example, securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services.

4

### FOR MORE INFORMATION ABOUT PORTFOLIO HOLDINGS

Each Van Kampen trust provides a complete schedule of portfolio holdings in its semiannual and annual reports within 60 days of the end of the trust's second and fourth fiscal quarters by filing the schedule electronically with the Securities and Exchange Commission (SEC). The semiannual reports are filed on Form N-CSRS and the annual reports are filed on Form N-CSR. Van Kampen also delivers the semiannual and annual reports to trust shareholders, and makes these reports available on its public web site, [www.vankampen.com](http://www.vankampen.com). In addition to the semiannual and annual reports that Van Kampen delivers to shareholders and makes available through the Van Kampen public web site, each trust files a complete schedule of portfolio holdings with the SEC for the trust's first and third fiscal quarters on Form N-Q. Van Kampen does not deliver the reports for the first and third fiscal quarters to shareholders, nor are the reports posted to the Van Kampen public web site. You may, however, obtain the Form N-Q filings (as well as the Form N-CSR and N-CSRS filings) by accessing the SEC's web site, <http://www.sec.gov>. You

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

may also review and copy them at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at 1-202-942-8090. You can also request copies of these materials, upon payment of a duplicating fee, by electronic request at the SEC's e-mail address (publicinfo@sec.gov) or by writing the Public Reference section of the SEC, Washington, DC 20549-0102.

In addition to filing a complete schedule of portfolio holdings with the SEC each fiscal quarter, each Van Kampen trust makes portfolio holdings information available by periodically providing the information on its public web site, [www.vankampen.com](http://www.vankampen.com). Each Van Kampen trust provides a complete schedule of portfolio holdings on the public web site on a calendar-quarter basis approximately 30 days after the close of the calendar quarter. Furthermore, each Van Kampen trust provides partial lists of its portfolio holdings (such as top 10 or top 15 trust holdings) to the public web site each with a delay of approximately 15 days.

You may obtain copies of a trust's fiscal quarter filings, or its monthly or calendar-quarter web site postings, by contacting Van Kampen Client Relations at 1-800-847-2424.

5

### PROXY VOTING POLICIES AND PROCEDURES AND PROXY VOTING RECORD

The trust's policies and procedures with respect to the voting of proxies relating to the trust's portfolio securities and information on how the trust voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 is available without charge, upon request, by calling 1-800-847-2424 or by visiting our web site at [www.vankampen.com](http://www.vankampen.com). This information is also available on the Securities and Exchange Commission's web site at <http://www.sec.gov>.

### INVESTMENT POLICY CHANGES

At a meeting held on May 26, 2004, the Board of Trustees approved changes to certain of the Trust's investment policies in order to expand the investment options available to the Trust as the Trust seeks to achieve its investment objective of high level of current income, consistent with preservation of capital. The Trust's investment policy of investing at least 80% of its total assets in senior loans remains unchanged. The changes to the Trust's investment policies are as follows:

1. The Trust may now invest up to 5% of its total assets in senior loans or other assets which are denominated in non-U.S. dollars;
2. The Trust's investments in senior loans now may also include up to 5% of its total assets in senior debt obligations that are in the form of notes in addition to investments in loan agreements, participations and assignments;
3. The Trust's investment policy of investing up to 20% of its total assets in warrants, equity securities and junior debt acquired in connection with the Trust's investments in senior loans has been expanded so that the Trust may invest up to 20% of its total assets in junior debt securities directly and not necessarily in connection with an investment in senior loans and the Trust may also invest in warrants and equity securities directly provided that the Trust must own or acquire a senior loan of the same issuer;

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

4. The Trust's ability to invest up to 5% of its total assets in structured notes has been clarified to include credit-linked notes and other types of structured investments (referred to collectively as "structured products"). A structured note is a derivative security that has one or more special features, such as an interest rate based on a spread over an index or a benchmark interest rate or other reference indicator, that may or may not correlate to the total rate of return on one or more underlying investments (such as senior loan interests) referenced in such notes. A credit-linked note is a derivative instrument that is a synthetic obligation between two or more parties where the payment of principal and/or interest is based on the performance of some obligation (a reference obligation). Generally, investments in structured

6

products are interests in entities organized and operated for the purpose of restructuring the investment characteristics of underlying investment interests or securities. This generally involves the deposit or purchase of the underlying investments (such as senior loan interests) and the issuance of one or more classes of securities backed by or representing interests in, the underlying investments or referencing an indicator related to such underlying investments. The cash flow or rate of return on the underlying investments may be apportioned among the newly issued classes of securities to create different investment characteristics, such as varying maturities, credit quality, payment priorities and interest rate provisions. The cash flow or rate of return on a structured product may be determined by applying a multiplier to the rate of total return on the underlying investments or referenced indicator. Application of a multiplier is comparable to the use of financial leverage, a speculative technique. Leverage magnifies the potential for gain or the risk of loss. As a result, a relatively small decline in the value of the underlying investments or referenced indicator could result in a relatively large loss in the value of the structured product. Holders of structured products bear risks of the underlying index or reference obligation and are subject to counterparty risk. Structured products where the rate of return is determined by reference to a Senior Loan will be treated as senior loans for the purposes of complying with the Trust's policy of normally investing at least 80% of its total assets in senior loans; and

5. The Trust's ability to invest up to 20% of its total assets in high quality, short-term debt securities with remaining maturities of one year or less has been expanded so that the Trust may also invest in Treasury Inflation Protected Securities ("U.S. TIPS") and other inflation-indexed bonds issued by the U.S. government, its agencies or instrumentalities (and such U.S. TIPS and other inflation--indexed bonds may have any maturity). U.S. TIPS are fixed income securities issued by the U.S. Department of the Treasury, the principal amounts of which are adjusted daily based upon changes in the rate of inflation (currently represented by the non-seasonally adjusted Consumer Price Index for All Urban Consumers. The Trust may purchase U.S. TIPS of other inflation-indexed bonds of any maturity. U.S. TIPS pay interest on a periodic basis, equal to a fixed interest rate applied to the inflation-indexed principal amount. The interest on these bonds is fixed at issuance, but over the life of the bond, this interest may be paid on an increasing or decreasing principal value that has been adjusted for inflation. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed even during a period of deflation. However, because the principal amount of U.S. TIPS would be adjusted downward during a period of deflation, the Trust will be subject to deflation risk with respect to its investments in these securities. In addition, the

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

current market value of the bonds is not guaranteed, and

7

will fluctuate. If the Trust purchases U.S. TIPS in the secondary market whose principal values have been adjusted upward due to inflation since issuance, the Trust may experience a loss if there is a subsequent period of deflation. If inflation is lower than expected during the period the Trust holds a U.S. TIPS, the Trust may earn less on the security than on a conventional bond. The Trust may invest in inflation-indexed securities issued by the U.S. government, its agencies and instrumentalities with other structures or characteristics as such securities become available in the market.

8

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	VARIABLE RATE** SENIOR LOAN INTERESTS		168.2%		
	AEROSPACE/DEFENSE 3.9%				
\$ 2,985	Anteon International Corp., Term Loan (i).....	Ba3	BB	12/31/10	\$ 3,024,178
4,988	ARINC, Inc., Term Loan.....	Ba3	BB	03/10/11	5,056,078
6,983	CACI International, Inc., Term Loan (i).....	Ba2	BB	05/03/11	7,017,412
5,930	DRS Technologies, Inc., Term Loan.....	Ba3	BB-	11/04/10	5,987,924
3,663	ILC Industries, Inc., Term Loan.....	NR	NR	08/05/10	3,727,302
15,595	The Titan Corp., Term Loan.....	Ba3	BB-	06/30/09	15,676,152
1,174	The Titan Corp., Revolving Credit Agreement.....	Ba3	BB-	05/23/08	1,147,764
6,979	Transdigm, Inc., Term Loan.....	B1	B+	07/22/10	7,077,990
5,611	United Defense Industries, Inc., Term Loan.....	Ba2	BB	08/13/09	5,663,779
5,865	Vought Aircraft Industries, Inc., Term Loan.....	Ba3	B+	12/31/06 to 06/30/08	5,930,795
					----- 60,309,374 -----
	AUTOMOTIVE 6.2%				
2,766	AMCAN Consolidate Technologies, Inc., Term Loan.....	NR	NR	03/28/07	2,365,310
7,105	Citation Corp., Term Loan (k).....	NR	B-	12/01/05 to 12/01/07	6,297,072
955	Eagle Picher Industries, Term Loan.....	B2	B+	08/07/09	963,492



Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

20,525	Federal-Mogul Corp., Term Loan (c).....	NR	NR	02/05/05 to 02/06/05	20,691,249
15,187	Federal-Mogul Corp., Revolving Credit Agreement (c).....	NR	NR	02/05/05	15,148,890
11,618	Goodyear Tire & Rubber Co., Term Loan.....	B1	BB	03/31/06	11,796,027
9,950	MetoKote Corp., Term Loan..	B1	B+	08/13/10	10,099,250
4,800	Polypore, Inc., Term Loan.....	B1	B+	11/12/11	4,887,000
12,687	Safelite Glass Corp., Term Loan.....	NR	NR	09/30/07	12,211,600
3,483	Tenneco Automotive, Inc., Term Loan.....	B1	B+	12/12/10	3,551,426

See Notes to Financial Statements

9

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
AUTOMOTIVE (CONTINUED)					
\$ 6,464	TRW Automotive, Inc., Term Loan.....	Ba2	BB+	02/28/09 to 02/28/11	\$ 6,574,222
2,142	United Components, Inc., Term Loan.....	B1	BB-	06/30/10	2,172,453
					-----
					96,757,991
					-----
BEVERAGE, FOOD & TOBACCO 11.8%					
3,860	Atkins Nutritionals, Inc., Term Loan.....	NR	NR	10/29/09	3,792,450
9,739	B & G Foods, Inc., Term Loan.....	B1	B	08/31/09	9,811,948
12,142	Birds Eye Foods, Inc., Term Loan (i).....	B1	B+	06/30/08	12,307,254
4,938	Burns Philp, Inc., Term Loan (i).....	B1	B+	02/20/09	5,005,391
5,482	Commonwealth Brands, Inc., Term Loan.....	NR	NR	08/28/07	5,577,948
6,375	Constellation Brands, Inc., Term Loan.....	Ba1	BB	11/30/08	6,474,042
14,097	Dean Foods Co., Term Loan..	Ba1	BBB-	07/15/08	14,112,232
6,834	Del Monte Corp., Term Loan.....	Ba3	BB-	12/20/10	6,941,570
6,929	Doane Pet Care Co., Term Loan.....	B1	B-	03/31/05 to 12/29/06	6,972,581
488	Doane Pet Care Co., Revolving Credit Agreement.....	B1	B-	12/29/05	474,653
15,020	Dole Food Co., Inc., Term Loan.....	Ba3	BB	09/28/08 to 07/21/10	15,146,037

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

20,497	DS Waters Enterprises, LP, Term Loan.....	B1	B+	11/07/09	20,247,305
17,770	Land O' Lakes, Inc., Term Loan.....	B1	B+	10/10/08	18,084,804
4,987	Luigino's, Inc., Term Loan.....	B1	B+	04/02/11	5,068,547
1,055	Mafco Worldwide Corp., Term Loan.....	NR	NR	03/31/06	1,044,362
2,084	Merisant Co., Term Loan....	B1	B+	01/11/10	2,095,400
5,970	Michael Foods, Inc., Term Loan.....	B1	B+	11/21/10	6,068,881
4,500	Pierre Foods, Inc., Term Loan.....	B1	B+	06/30/10	4,557,659
29,925	Pinnacle Foods, Inc., Term Loan.....	B1	BB-	11/25/10	30,364,538

10

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
-----					
BEVERAGE, FOOD & TOBACCO (CONTINUED)					
\$ 5,962	Southern Wine & Spirits of America, Inc., Term Loan...	NR	NR	07/02/08	\$ 6,034,911
3,901	Swift & Co., Term Loan.....	Ba2	BB	09/19/08	3,930,361
					-----
					184,112,874
-----					
BROADCASTING--CABLE 12.6%					
2,244	Cebridge Connections, Inc., Term Loan.....	NR	NR	02/23/09	2,272,430
78,000	Charter Communications Operating, LLC, Term Loan..	B2	B	04/27/10 to 04/27/11	76,957,807
9,593	Frontiervision Operating Partners, LP, Term Loan (c).....	NR	NR	09/30/05 to 03/31/06	9,607,130
2,354	Frontiervision Operating Partners, LP, Revolving Credit Agreement (c).....	NR	NR	10/31/05	2,357,294
4,676	Hilton Head Communications, LP, Term Loan (c).....	NR	NR	03/31/08	4,476,342
7,300	Hilton Head Communications, LP, Revolving Credit Agreement (c).....	NR	NR	09/30/07	6,956,951
18,408	Insight Midwest Holdings, LLC, Term Loan.....	Ba3	BB+	12/31/09	18,707,892
5,050	MCC Iowa, LLC, Term Loan...	Ba3	BB+	09/30/10	5,109,575
2,956	Mediacom Illinois, LLC, Term Loan.....	Ba3	BB+	12/31/08	2,985,749
7,901	Mediacom Illinois, LLC, Revolving Credit				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

1,901	Agreement.....	Ba3	BB+	06/30/08	7,605,011
	Mediacom Southeast, LLC,				
6,903	Term Loan.....	Ba3	BB+	09/30/08	1,924,962
	Mediacom Southeast, LLC,				
	Revolving Credit				
31,245	Agreement.....	Ba3	BB+	03/31/08	6,626,711
	Olympus Cable Holdings,				
	LLC, Term Loan (c).....	NR	NR	06/30/10 to 09/30/10	30,195,543
10,871	Parnassos, LP, Term Loan				
	(c).....	NR	NR	06/30/07	10,754,317

See Notes to Financial Statements

11

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
BROADCASTING--CABLE (CONTINUED)					
\$ 4,753	Parnassos, LP, Revolving Credit Agreement (c).....	NR	NR	06/30/07	\$ 4,699,340
4,461	Rainbow Media Holdings, Inc., Term Loan.....	Ba2	BB+	03/31/09	4,480,289
					----- 195,717,343 -----
BROADCASTING--DIVERSIFIED 1.2%					
8,259	DirecTV Holdings, LLC, Term Loan.....	Ba2	BB	03/06/10	8,383,071
10,000	Emmis Operating Co., Term Loan.....	Ba2	B+	11/10/11	10,121,090
					----- 18,504,161 -----
BROADCASTING--RADIO 0.7%					
7,711	Spanish Broadcasting System, Inc., Term Loan....	B1	B+	10/30/09	7,836,558
3,500	Susquehanna Media Co., Term Loan.....	Ba2	BB-	03/31/12	3,545,938
					----- 11,382,496 -----
BROADCASTING--TELEVISION 0.5%					
7,500	Gray Communications Systems, Inc., Term Loan...	Ba2	B+	06/30/11	7,579,688
BUILDINGS & REAL ESTATE 4.1%					
8,000	AIMCO Properties, LP, Term Loan (i).....	NR	NR	05/30/08	8,075,000
7,897	CB Richard Ellis Services, Inc., Term Loan (i).....	B1	B+	03/31/10	7,948,747
4,910	Central Parking Corp., Term				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

6,068	Loan.....	Ba3	BB-	03/31/10	4,974,355
	Corrections Corp. of				
5,206	America, Term Loan.....	Ba3	BB-	03/31/08	6,164,977
	Crescent Real Estate				
4,695	Equities Co., Term Loan....	NR	NR	01/12/06	5,260,959
	General Growth, LLC, Term				
1,584	Loan.....	Ba1	NR	04/16/06	4,724,561
	GEO Group, Inc., Term				
6,000	Loan.....	Ba3	BB-	07/09/09	1,601,306
	Landsource Communities				
	Development, LLC, Term				
	Loan.....	NR	NR	03/31/10	6,093,750
10,820	Ventas, Inc., Term Loan....	NR	NR	04/17/07	10,873,694
2,676	Ventas, Inc., Revolving				
	Credit Agreement.....	NR	NR	04/17/05	2,642,414
5,000	WFP Tower Co., LP, Term				
	Loan (i).....	NR	NR	03/31/06	5,007,815
					-----
					63,367,578
					-----

12

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	BUSINESS EQUIPMENT 0.9%				
\$ 4,900	Katun Corp., Term Loan....	NR	B+	06/30/09	\$ 4,896,937
4,200	Verifone, Inc., Term				
	Loan.....	B1	B+	06/30/11 to 12/31/11	4,278,375
5,520	Vertafore, Inc., Term				
	Loan.....	NR	NR	03/30/08 to 03/30/10	5,568,300
					-----
					14,743,612
					-----
	CHEMICALS, PLASTICS & RUBBER 9.0%				
6,500	Brenntag AG, Term Loan				
	(i).....	B1	BB-	02/27/12	6,607,659
7,553	Celanase AG, Term Loan				
	(i).....	B1	B+	04/06/11 to 12/08/11	7,732,759
7,137	CP Kelco ApS, Term Loan....	B3	B	09/30/06 to 09/30/08	7,178,398
1,496	Hercules, Inc., Term				
	Loan.....	Ba1	BB	10/08/10	1,507,472
20,565	Huntsman Corp., Term Loan..	B2	B	03/31/07	20,676,748
22,500	Huntsman ICI Chemicals,				
	LLC, Term Loan.....	B1	B	12/31/10	22,868,438
11,047	ISP Chemco, Inc., Term				
	Loan.....	Ba2	BB+	03/27/11	11,157,786
15,500	KOSA B.V., Term Loan.....	Ba3	BB	04/29/11	15,742,188
7,798	Krayton Polymers, LLC.,				
	Term Loan.....	B1	BB-	12/23/10	7,929,216

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

26,095	Nalco Co., Term Loan.....	B1	BB-	11/04/09 to 11/04/10	26,516,076
1,489	Nutrasweet Acquisition Corp., Term Loan.....	NR	NR	06/30/06 to 05/25/09	1,485,346
9,156	Rhodia Inc., Term Loan.....	NR	NR	06/27/06	9,047,361
1,975	Unifrax Corp., Term Loan...	B1	B+	05/19/10	2,005,610
					-----
					140,455,057
					-----
	CONSTRUCTION MATERIAL 2.6%				
10,474	Builders FirstSource, Inc., Term Loan (i).....	NR	NR	02/25/10	10,565,395
1,980	Building Materials Holding Corp., Term Loan (i).....	Ba2	BB-	08/21/10	1,987,425
5,486	Compression Polymers Corp., Term Loan.....	B1	B	03/12/10	5,517,110
4,750	Interline Brands, Inc., Term Loan.....	B2	B+	11/30/09	4,782,656
2,000	Itron, Inc., Term Loan.....	Ba3	BB-	06/28/11	2,020,000
1,898	National Waterworks, Inc., Term Loan.....	B1	BB-	11/22/09	1,925,242
993	Sensus Metering Systems, Inc., Term Loan.....	B2	B+	12/17/10	1,004,706
2,985	St. Mary's Cement, Inc., Term Loan.....	B1	BB-	12/04/09	3,026,044
9,304	Werner Holding Co., Inc., Term Loan.....	B1	B	06/11/09	9,065,747
					-----
					39,894,325
					-----

See Notes to Financial Statements

13

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	CONTAINERS, PACKAGING & GLASS 9.0%				
\$ 3,600	BWAY Corp., Term Loan (i)..	B1	B+	06/30/11	\$ 3,661,877
9,669	Crown Cork & Seal Co., Inc., Term Loan.....	Ba3	BB	02/26/08	9,824,359
21,314	Dr. Pepper/Seven Up Bottling Group, Inc., Term Loan.....	B1	NR	12/19/10	21,567,233
17,532	Graphic Packaging International Corp., Term Loan.....	B1	B+	08/08/09 to 08/09/10	17,809,445
222	Graphic Packaging International Corp., Revolving Credit Agreement.....	B1	B+	08/08/09	214,062
4,276	Impress Metal Packaging Holding B.V., Term Loan....	NR	B+	12/31/06	4,286,593

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

2,214	Jefferson Smurfit Corp., Revolving Credit Agreement.....	NR	NR	03/31/05	2,197,488
43,310	Owens-Illinois, Inc., Term Loan.....	B2	BB-	04/01/07 to 04/01/08	43,803,264
5,356	Packaging Dynamics, Term Loan.....	NR	NR	09/29/08 to 09/29/09	5,367,391
2,963	Ranpak Corp., Term Loan....	NR	NR	03/15/10	2,966,203
689	Smurfit-Stone Container Corp., Term Loan.....	NR	NR	06/30/09	696,847
1,043	Smurfit-Stone Container Corp., Revolving Credit Agreement.....	NR	NR	12/31/05	1,033,001
7,481	Solo Cup, Inc., Term Loan.....	B1	B+	02/27/11	7,577,885
5,242	Stone Container Corp., Term Loan.....	NR	NR	06/30/09	5,287,882
1,841	Tekni-Plex, Inc., Term Loan.....	B1	B+	06/21/08	1,854,870
5,086	Tekni-Plex, Inc., Revolving Credit Agreement.....	B1	B+	06/21/06	5,009,301
5,985	U.S. Can Corp., Term Loan..	B2	B	01/10/10	6,056,072
					----- 139,213,773 -----
	DIVERSIFIED MANUFACTURING 1.3%				
990	Amsted Industries, Inc., Term Loan (i).....	B1	BB-	10/15/10	1,013,512
3,305	Chart Industries, Inc, Term Loan.....	NR	NR	09/15/09	3,298,842

14

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	DIVERSIFIED MANUFACTURING (CONTINUED)				
\$ 2,891	Juno Lighting, Inc., Term Loan.....	B1	B+	11/21/10	\$ 2,934,273
12,284	Mueller Group, Inc., Term Loan.....	B2	B+	04/23/11	12,411,093
					----- 19,657,720 -----
	ECOLOGICAL 5.4%				
62,506	Allied Waste North America, Inc., Term Loan (i).....	Ba2	BB	01/15/10	63,436,954
7,609	Duratek, Inc., Term Loan...	B1	BB-	12/16/09	7,608,696
3,022	Environmental Systems Products Holdings, Term Loan.....	B2	NR	12/12/08 to 12/12/10	3,077,355

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

3,499	Great Lakes Dredge & Dock Corp., Term Loan.....	B2	B-	12/22/10	3,498,673
2,978	IESI Corp., Term Loan.....	B1	B+	09/30/10	3,030,538
3,591	Waste Services, Inc., Term Loan.....	B1	B+	03/31/11	3,617,933
					-----
					84,270,149
					-----
	EDUCATION & CHILD CARE 0.3%				
4,190	Educate Operating Co., LLC, Term Loan.....	B1	B+	03/31/11	4,239,250
656	TEC Worldwide, Inc., Term Loan.....	NR	NR	02/28/05	655,078
					-----
					4,894,328
					-----
	ELECTRONICS 5.1%				
1,985	AMI Semiconductor, Inc., Term Loan.....	B1	BB-	09/26/08	2,007,331
8,872	Audio Visual Services Corp., Term Loan.....	NR	NR	03/04/06	9,359,848
4,178	Automata, Inc., Term Loan (a) (c) (g) (j).....	NR	NR	02/28/03 to 02/28/04	0
6,940	Knowles Electronics, Inc., Term Loan.....	B3	NR	06/29/07	6,993,956
4,620	Memec Group Ltd., Term Loan.....	Ba3	B	06/15/09 to 06/15/10	4,619,850
17,182	Rayovac Corp., Term Loan...	B1	B+	09/30/09	17,411,171
11,760	Seagate Technologies, Inc., Term Loan.....	Ba1	BB+	05/13/07	11,954,040
17,415	Semiconductor Components Industries, LLC, Term Loan.....	B3	B	08/04/09	17,593,099

See Notes to Financial Statements

15

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	ELECTRONICS (CONTINUED)				
\$ 5,400	UGS Corp., Term Loan.....	B1	B+	05/27/11	\$ 5,459,065
3,533	Viasystems, Inc., Term Loan.....	NR	NR	09/30/08	3,570,963
					-----
					78,969,323
					-----
	ENTERTAINMENT & LEISURE 11.3%				
2,487	24 Hour Fitness, Inc., Term Loan.....	B1	B	07/01/09	2,518,594
4,215	Bell Sports, Inc., Term Loan.....	Ba3	NR	12/31/05	4,008,934

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

5,993	Detroit Red Wings, Inc., Term Loan.....	NR	NR	08/30/06	6,008,162
4,597	Festival Fun Parks, LLC, Term Loan.....	NR	NR	06/30/07 to 12/31/07	4,577,890
3,034	GT Brands Holdings, Term Loan.....	NR	NR	09/30/07	3,034,091
5,910	Kerasotes Theatres, Inc., Term Loan.....	NR	NR	12/31/08	5,976,488
60,000	Metro-Goldwyn-Mayer, Inc., Term Loan.....	NR	NR	04/30/11	60,360,000
8,958	Mets II, LLC, Term Loan....	NR	NR	10/31/06	9,025,521
4,000	New Jersey Basketball, LLC, Term Loan.....	NR	NR	10/16/04	4,005,000
4,592	Playcore Wisconsin, Inc., Term Loan.....	NR	NR	07/01/07	4,583,985
4,738	Pure Fishing, Term Loan....	B1	BB-	09/30/10	4,815,120
26,114	Regal Cinemas, Inc., Term Loan.....	NR	BB-	11/10/10	26,457,069
2,359	Riddell Sports Group, Inc., Term Loan.....	NR	NR	06/30/08	2,361,588
8,786	Six Flags Theme Parks, Inc., Term Loan.....	Ba3	B+	06/30/09	8,895,853
124	Six Flags Theme Parks, Inc., Revolving Credit Agreement.....	Ba3	B+	06/30/08	119,930
9,227	True Temper, Inc., Term Loan.....	B1	B+	03/15/11	9,342,211
12,469	Warner Music Group, Term Loan.....	B1	B+	02/28/11	12,664,684
4,571	Worldwide Sports & Recreation, Inc., Term Loan.....	NR	NR	12/31/06	4,597,758

16

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
ENTERTAINMENT & LEISURE (CONTINUED)					
\$ 2,057	YankeeNets, LLC, Term Loan.....	NR	NR	06/25/07	\$ 2,082,857
943	Yankees Holdings, LP, Term Loan.....	NR	NR	06/25/07	954,643
					----- 176,390,378 -----
FARMING & AGRICULTURE 0.9%					
3,000	Ames True Temper, Inc., Term Loan.....	B2	B	07/02/11	3,049,374
2,228	Central Garden & Pet Co., Term Loan.....	Ba2	BB+	05/15/09	2,246,991



Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

3,990	The Scotts Co., Term Loan.. Ba1	BB	09/30/10	4,020,994
4,888	United Industries Corp., Term Loan..... B1	B+	04/29/11	4,970,231
				-----
				14,287,590
				-----
	FINANCE 2.2%			
3,359	DCS Business Services, Inc., Term Loan..... NR	NR	12/31/08 to 12/31/09	3,367,147
4,392	Outsourcing Solutions, Term Loan..... NR	NR	12/09/08	4,370,316
7	Outsourcing Solutions, Revolving Credit Agreement..... NR	NR	12/09/08	6,941
7,047	Rent-A-Center, Inc., Term Loan..... Ba2	BB+	06/30/10	7,139,471
8,157	Risk Management Assurance Co., Term Loan..... NR	NR	12/21/06	8,203,744
10,800	Transfirst Holdings, Inc., Term Loan..... NR	NR	03/31/10 to 03/31/11	10,864,500
				-----
				33,952,119
				-----
	GROCERY 0.7%			
7,604	Fleming Cos., Inc., Term Loan (c)..... NR	NR	06/18/08	7,575,323
3,117	Fleming Cos., Inc., Revolving Credit Agreement (c)..... NR	NR	06/18/07	3,098,946
				-----
				10,674,269
				-----
	HEALTHCARE 5.6%			
6,849	Ameripath, Inc., Term Loan..... B2	B+	03/27/10	6,900,255
8,608	AMN Healthcare Services, Inc., Term Loan..... Ba2	BB-	10/02/08	8,661,742
35,607	Community Health Systems, Inc., Term Loan..... Ba3	BB-	07/16/10 to 01/16/11	35,745,607
1,485	Concentra Operating Corp., Term Loan..... B1	B+	06/30/09	1,506,347

See Notes to Financial Statements

17

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	HEALTHCARE (CONTINUED)				
\$ 6,219	FHC Health Systems, Inc., Term Loan..... B2	B		10/31/06	\$ 6,278,277
6,028	Genesis Healthcare Corp.,				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

7,363	Term Loan.....	Ba3	BB-	12/01/10	6,110,814
	InteliStaf Group, Inc.,				
2,400	Term Loan.....	NR	NR	10/31/05 to 10/31/07	7,307,925
	Medcath Holdings Corp.,				
3,491	Term Loan.....	B2	B+	06/30/11	2,435,251
	Multiplan, Inc., Term				
3,000	Loan.....	NR	B+	03/04/09	3,526,163
	Sterigenics International,				
4,945	Inc., Term Loan.....	B2	B+	06/14/11	3,037,500
	Triad Hospitals, Inc., Term				
	Loan.....	Ba2	BB	09/30/08	5,036,240
					-----
					86,546,121
					-----
	HEALTHCARE & BEAUTY 2.0%				
6,284	American Safety Razor Co.,				
	Term Loan.....	B2	B	04/29/11	6,358,875
3,281	Jafra Cosmetics				
	International, Inc., Term				
	Loan.....	B1	B+	05/20/08	3,279,199
474	Mary Kay, Inc., Term Loan..	Ba2	BB	10/03/07	478,781
19,970	Prestige Brands Holdings,				
	Inc., Term Loan.....	B1	B	04/06/11 to 10/06/11	20,261,994
					-----
					30,378,849
					-----
	HOME & OFFICE FURNISHINGS, HOUSEWARES & DURABLE CONSUMER PRODUCTS 2.3%				
6,223	Formica Corp., Term Loan...	NR	NR	06/10/10	6,315,918
2,400	Holmes Group, Inc., Term				
	Loan.....	B1	B	11/08/10	2,424,000
2,843	Hunter Fan Co., Term Loan..	NR	NR	04/30/10	2,890,467
1,422	Imperial Home Decor Group,				
	Inc., Term Loan (a) (d)....	NR	NR	04/04/06	35,557
7,009	National Bedding Co., Term				
	Loan.....	Ba3	BB-	08/31/08	7,092,551
16,058	Sealy Mattress Co., Term				
	Loan.....	B2	B+	04/06/12	16,322,319
					-----
					35,080,812
					-----

18

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	HOTELS, MOTELS, INNS & GAMING 12.0%				
\$37,993	Aladdin Gaming, LLC, Term				
	Loan (a) (1).....	NR	NR	02/25/05 to 02/26/08	\$ 38,183,066
12,100	Alliance Gaming Corp., Term				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

2,618	Loan (i)..... Ba3	BB-	09/04/09	12,258,812
	Ameristar Casinos, Inc.,			
	Term Loan..... Ba3	BB-	12/20/06	2,653,028
5,000	Boyd Gaming Corp., Term			
	Loan (i)..... Ba2	BB	06/30/11	5,066,405
43,488	CNL Hospitality Partners,			
	LP, Term Loan..... NR	NR	01/03/05	43,487,620
2,963	Global Cash Access, LLC,			
	Term Loan..... B2	B+	03/10/10	3,012,492
5,275	Greektown Casino, LLC, Term			
	Loan..... NR	NR	12/31/05	5,294,797
1,990	Green Valley Ranch Gaming,			
	LLC, Term Loan..... B1	B+	12/24/10	2,014,875
2,482	Isle of Capri Casinos,			
	Inc., Term Loan..... Ba2	BB-	04/26/08	2,513,087
10,315	Mandalay Resort Group, Term			
	Loan..... NR	NR	06/30/08	10,327,589
5,641	Marina District Finance			
	Co., Term Loan..... B2	B+	12/15/07	5,700,232
3,595	Penn National Gaming, Inc.,			
	Term Loan..... Ba3	BB-	09/01/07	3,654,738
7,200	Ruffin Gaming, LLC, Term			
	Loan..... NR	NR	07/14/07	7,209,000
16,941	Scientific Games Corp.,			
	Term Loan..... Ba3	BB-	12/31/09	17,181,124
4,436	United Auburn Indian			
	Community, Term Loan..... Ba3	BB	01/24/09	4,458,475
22,720	Wyndham International,			
	Inc., Term Loan..... NR	NR	04/01/06 to 06/30/06	22,642,114
1,339	Wyndham International,			
	Inc., Revolving Credit			
	Agreement..... NR	NR	04/01/06	1,320,753
				-----
				186,978,207
				-----
	INSURANCE 2.3%			
10,000	Alea Group Holdings, Term			
	Loan..... NR	BBB-	03/31/07	10,025,000
4,988	Bristol West Holdings,			
	Inc., Term Loan..... Ba1	BB+	02/18/11	5,012,437
12,000	Conseco, Inc., Term Loan... B3	BB-	06/22/10	12,183,756
3,022	Hilb, Rogal & Hamilton Co.,			
	Term Loan..... Ba3	BB-	06/30/07	3,063,215

See Notes to Financial Statements

19

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
\$ 4,148	INSURANCE (CONTINUED) Universal American				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

	Financial Corp., Term				
1,980	Loan.....	NR	BBB-	03/31/09	\$ 4,157,869
	USI Holdings Corp., Term				
	Loan.....	B1	BB-	08/11/08	2,002,275
					-----
					36,444,552
					-----
	MACHINERY 1.2%				
3,756	Alliance Laundry Holdings,				
	LLC, Term Loan.....	B1	B	08/02/07	3,770,562
4,581	Ashtead Group, PLC, Term				
	Loan.....	NR	NR	06/01/07	4,511,962
2,596	Douglas Dynamics, LLC, Term				
	Loan.....	NR	B+	03/31/10	2,628,619
1,414	Flowserve Corp., Term				
	Loan.....	Ba3	BB-	06/30/09	1,434,690
1,245	Goodman Global Holdings,				
	Inc., Term Loan.....	NR	NR	11/21/09	1,262,897
2,494	United Rentals (North				
	America), Inc., Term				
	Loan.....	Ba3	BB	02/14/11	2,541,131
2,094	Weigh-Tronix, LLC, Term				
	Loan.....	NR	NR	09/30/05	2,015,744
					-----
					18,165,605
					-----
	MEDICAL PRODUCTS & SERVICES 7.7%				
3,000	Advanced Medical Optics,				
	Inc., Term Loan (i).....	B1	BB-	06/25/09	3,047,814
6,525	Alliance Imaging, Inc.,				
	Term Loan (i).....	B1	B+	06/10/08	6,498,927
2,850	Colgate Medical, Ltd., Term				
	Loan.....	Ba2	BB-	12/30/08	2,881,173
10,910	CONMED Corp., Term Loan...	Ba3	BB-	12/15/09	11,060,036
6,928	Dade Behring, Inc., Term				
	Loan.....	Ba3	BB	10/03/08	7,018,947
34,225	DaVita, Inc., Term Loan....	Ba2	BB	03/31/07 to 03/31/09	34,617,160
13,672	Fisher Scientific				
	International, Inc., Term				
	Loan.....	Ba3	BBB	03/31/10	13,748,633
14,618	Fresenius Medical Care				
	Holding, Inc., Term Loan...	Ba1	BB+	02/21/10	14,762,825
10,094	Insight Health, Term				
	Loan.....	B1	B+	10/17/08	10,156,626
6,212	Kinetics Concepts, Inc.,				
	Term Loan.....	Ba3	BB-	08/11/10	6,301,805
572	Rotech Healthcare, Inc.,				
	Term Loan.....	Ba2	BB	03/31/08	579,348

20

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL  
AMOUNT

BANK LOAN  
RATINGS+  
-----

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

(000)	BORROWER	MOODY'S	S&P	STATED MATURITY*	VALUE
-----					
	MEDICAL PRODUCTS & SERVICES (CONTINUED)				
\$ 5,731	Symmetry Medical, Inc., Term Loan.....	NR	NR	06/30/08 to 06/30/09	\$ 5,732,232
3,204	VWR International, Inc., Term Loan.....	B1	BB-	04/07/11	3,268,141
					-----
					119,673,667
					-----
	MINING, STEEL, IRON & NON-PRECIOUS METALS		0.7%		
3,353	CII Carbon, LLC, Term Loan.....	NR	NR	06/25/08	3,227,056
4,427	Fairmount Minerals, Ltd., Term Loan.....	NR	NR	04/07/10	4,449,009
2,469	Techs Industries, Inc., Term Loan.....	NR	NR	01/14/10	2,474,922
					-----
					10,150,987
					-----
	NATURAL RESOURCES		3.3%		
4,959	El Paso Corp., Revolving Credit Agreement.....	B3	NR	06/30/05	4,936,104
7,024	La Grange Acquisition, LP, Term Loan.....	NR	NR	01/18/08	7,135,949
6,600	LYONDELL-CITGO Refining, LP, Term Loan.....	NR	NR	05/21/07	6,732,000
15,000	Ocean Rig ASA--(Norway), Term Loan.....	B3	CCC	06/01/08	14,100,000
6,938	Peabody Energy Corp., Term Loan.....	Ba1	BB+	03/21/10	7,022,639
7,500	Transwestern Pipeline Co., Term Loan.....	B1	BB	04/30/09	7,567,185
3,199	U.S. Synthetic Corp., Term Loan.....	NR	NR	05/31/05	3,055,142
					-----
					50,549,019
					-----
	NON-DURABLE CONSUMER PRODUCTS		1.8%		
2,058	Aero Products International, Inc., Term Loan.....	NR	NR	12/19/08	1,950,401
5,000	Amscan Holdings, Inc., Term Loan (i).....	B1	B+	04/30/12	5,081,250
3,721	Boys Collection, Ltd., Term Loan.....	B1	B	04/21/05	3,646,199
6,000	Church & Dwight Co., Inc., Term Loan.....	Ba2	BB	05/30/11	6,082,500
7,755	General Binding Corp., Term Loan.....	B2	B+	01/15/08	7,774,387
4,097	JohnsonDiversey, Inc., Term Loan.....	Ba3	BB-	11/03/09	4,167,390
					-----
					28,702,127
					-----

See Notes to Financial Statements

21

VAN KAMPEN SENIOR INCOME TRUST

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	PERSONAL & MISCELLANEOUS SERVICES 1.5%				
\$ 2,326	Alderwoods Group, Inc., Term Loan (i).....	B1	BB-	09/29/08	\$ 2,363,651
8,795	Coinmach Laundry Corp., Term Loan.....	B1	B+	07/25/09	8,893,841
3,000	Coinstar, Inc., Term Loan.....	Ba3	BB-	07/07/11	3,052,500
2,869	Encompass Service Corp., Term Loan (a) (c) (j).....	Caa1	NR	05/10/07	200,839
4,489	Global Imaging Systems, Inc., Term Loan.....	Ba3	BB-	05/10/10	4,539,248
2,300	InfoUSA, Inc., Term Loan...	Ba3	BB	03/25/09	2,328,750
1,081	Iron Mountain, Inc., Term Loan.....	B1	BB-	04/02/11	1,090,203
969	Stewart Enterprises, Inc., Term Loan.....	Ba3	BB	01/31/06	976,372
					----- 23,445,404 -----
	PHARMACEUTICALS 0.8%				
11,742	MedPointe, Inc., Term Loan.....	B1	B	09/30/07 to 09/30/08	11,781,650
	PRINTING & PUBLISHING 13.5%				
4,752	21st Century Newspapers, Term Loan.....	NR	NR	08/27/08	4,751,923
10,500	Adams Outdoor Advertising, LP, Term Loan (i).....	B1	B+	10/15/11 to 04/15/12	10,637,659
431	Advanstar Communications, Inc., Term Loan (i).....	B2	B	10/11/07	433,453
7,215	American Media Operations, Inc., Term Loan (i).....	Ba3	B+	04/01/07	7,329,041
7,463	American Reprographics Co., Term Loan (i).....	B1	BB-	06/18/09	7,574,437
1,485	CanWest Media, Inc., Term Loan (i).....	Ba3	B+	08/15/09	1,505,957
10,000	Cygnus Business Media, Inc., Term Loan.....	B3	B	07/13/09	9,975,000
1,652	Daily News, LP, Term Loan..	NR	NR	03/19/08	1,660,336
4,852	Day International Group, Inc., Term Loan.....	B1	B	09/16/09	4,891,670
8,650	Dex Media East, LLC, Term Loan.....	Ba2	BB-	11/08/08 to 05/08/09	8,771,890
40,376	Dex Media West, LLC, Term Loan.....	Ba2	BB-	09/09/09 to 03/09/10	41,069,316
9,978	F&W Publications, Inc., Term Loan.....	NR	NR	12/31/09	10,084,396

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
PRINTING & PUBLISHING (CONTINUED)					
\$ 7,500	Freedom Communications, Term Loan.....	Ba3	BB	05/18/12	\$ 7,623,045
7,363	Hights Cross Communications, LLC, Term Loan.....	B3	B-	08/20/08	7,564,969
4,050	Herald Media, Inc., Term Loan.....	NR	NR	07/31/11 to 01/31/12	4,102,125
7,751	Journal Register Co., Term Loan.....	Ba1	BB+	09/29/06	7,748,307
5,867	Lamar Media Corp., Term Loan.....	Ba2	BB-	06/30/10	5,935,600
3,112	Liberty Group Operating, Inc., Term Loan.....	B1	B	03/31/07	3,139,705
2,488	MediaNews Group, Inc., Term Loan.....	NR	NR	12/30/10	2,522,740
7,000	Morris Publishing Group, LLC, Term Loan.....	Ba1	BB	03/31/11	7,089,691
4,800	Network Communications, Inc., Term Loan.....	NR	NR	06/30/11	4,854,000
7,808	Primedia, Inc., Term Loan.....	B3	B	06/30/08 to 06/30/09	7,496,183
5,874	R.H. Donnelley, Inc., Term Loan.....	Ba3	BB	12/31/08 to 06/30/10	5,949,977
10,983	TransWestern Publishing Co., LLC, Term Loan.....	B1	BB-	02/25/11	11,130,083
3,600	Vutek, Inc., Term Loan.....	B1	NR	06/25/10	3,633,750
16,500	Xerox Corp., Term Loan.....	NR	BB-	09/30/08	16,601,409
5,936	Ziff-Davis Media, Inc., Term Loan.....	B3	CCC	03/31/07	5,885,101
					209,961,763
RETAIL--OIL & GAS 1.6%					
1,236	Barjan Products, LLC, Term Loan.....	NR	NR	04/30/07	1,006,197
888	Barjan Products, LLC, Revolving Credit Agreement.....	NR	NR	04/30/07	887,627
7,500	Getty Petroleum Marketing, Inc., Term Loan.....	B1	B+	05/19/10	7,626,563
14,826	The Pantry, Inc., Term Loan.....	B1	B+	03/12/11	15,048,478
					24,568,865
RETAIL--SPECIALTY 1.4%					
3,177	DRL Acquisition, Inc., Term				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

	Loan.....	NR	NR	04/30/09	3,168,933
1,984	Home Interiors & Gifts, Inc., Term Loan.....	B2	B	03/31/11	1,919,264

See Notes to Financial Statements

23

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	RETAIL--SPECIALTY (CONTINUED)				
\$ 5,604	Jostens, Inc., Term Loan...	Ba3	B+	07/29/10	\$ 5,687,889
11,272	Nebraska Book Co., Inc., Term Loan.....	B2	B	03/04/11	11,405,602
					----- 22,181,688 -----
	RETAIL--STORES 4.5%				
2,448	Advance Stores Co., Inc., Term Loan (i).....	Ba2	BB	11/30/06 to 11/30/07	2,481,556
1,523	Alimentation Couche-Tard, Inc., Term Loan (i).....	Ba2	BB	12/17/10	1,543,900
6,219	CSK Auto, Inc., Term Loan.....	Ba3	B+	06/19/09	6,306,204
2,438	Murray's Discount Auto Stores, Inc., Term Loan....	NR	NR	08/08/09	2,440,547
56,450	Rite Aid Corp., Term Loan.....	Ba3	BB	04/30/08	57,734,238
					----- 70,506,445 -----
	TELECOMMUNICATIONS--LOCAL EXCHANGE CARRIERS 2.0%				
8,980	Cincinnati Bell, Inc., Term Loan.....	B1	B+	06/30/08	9,087,265
3,000	Fairpoint Communications, Inc., Term Loan.....	B1	BB-	03/31/07	3,011,250
4,987	McLeod USA, Inc., Term Loan.....	Caa3	NR	05/30/08	2,468,766
1,719	Orius Corp., LLC, Term Loan.....	NR	NR	01/23/09 to 01/23/10	501,419
1,127	Orius Corp., LLC, Revolving Credit Agreement.....	NR	NR	01/23/05	873,119
14,581	Qwest Corp., Term Loan....	Ba3	BB-	06/30/07	15,150,528
7,500	WCI Capital Corp., Term Loan (a) (c).....	NR	NR	09/30/07	18,750
1,747	WCI Capital Corp., Revolving Credit Agreement (a) (c).....	NR	NR	12/31/04	61,153
					----- 31,172,250 -----
	TELECOMMUNICATIONS--LONG DISTANCE 0.7%				



Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

3,000	360networks Holdings, Inc., Term Loan.....	NR	NR	11/12/07	2,940,000
20,807	Pacific Crossing, Ltd., Term Loan (a) (c).....	NR	NR	07/28/06	1,378,492
6,691	Williams Communications, LLC, Term Loan.....	NR	NR	09/08/06	6,682,636
					----- 11,001,128 -----
	TELECOMMUNICATIONS--WIRELESS 6.3%				
2,400	American Tower, LP, Term Loan (i).....	B1	B	08/31/11	2,438,251
2,400	Cellular South, Inc., Term Loan.....	NR	NR	05/04/11	2,434,500

24

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	TELECOMMUNICATIONS--WIRELESS (CONTINUED)				
\$12,968	Centennial Cellular, Inc., Term Loan.....	B2	B-	02/09/11	\$ 13,047,393
3,970	Crown Castle International Corp., Term Loan.....	B1	B-	09/30/10	3,986,817
8,936	Dobson Cellular Systems, Inc., Term Loan.....	B1	B-	03/31/10	8,965,551
8,690	Microcell Solutions, Inc., Term Loan.....	B3	B-	03/17/11	8,737,074
31,153	Nextel Finance Co., Term Loan.....	Ba1	BBB	12/15/10	31,401,857
10,200	Nextel Partners, Inc., Term Loan.....	B1	B+	05/31/11	10,377,225
3,695	Spectrasite Communications, Inc., Term Loan.....	B1	B+	06/30/07	3,734,885
905	Syniverse Holding, LLC, Term Loan.....	Ba3	B+	12/31/06	918,427
12,000	Western Wireless Corp., Term Loan.....	B2	B-	05/31/11	12,186,432
					----- 98,228,412 -----
	TEXTILES & LEATHER 0.0%				
1,995	Malden Mills Industries, Inc., Term Loan (a).....	NR	NR	10/01/08	15,985
					-----
	TRANSPORTATION--CARGO 1.1%				
7,579	American Commercial Lines, LLC, Term Loan (c).....	Caa1	NR	06/30/06 to 06/30/07	7,366,666
972	Horizon Lines, LLC,				

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

	Revolving Credit Agreement.....	B2	B+	07/07/09	940,410
5,382	Pacer International, Inc., Term Loan.....	B1	BB-	06/10/10	5,459,724
1,489	Quality Distribution, Inc., Term Loan.....	B2	B+	11/13/09	1,481,306
2,400	Transport Industries, LP, Term Loan.....	B2	B+	06/13/10	2,404,500
					-----
					17,652,606
					-----
	TRANSPORTATION--PERSONAL 2.0%				
22,533	Laidlaw Investments Ltd., Term Loan.....	Ba3	BB+	06/19/09	22,969,990
911	Neoplan USA Corp., Revolving Credit Agreement (d).....	NR	NR	06/30/06	911,250
7,740	Transcore Holdings, Inc., Term Loan.....	NR	NR	01/05/08	7,836,685
					-----
					31,717,925
					-----

See Notes to Financial Statements

25

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

PRINCIPAL AMOUNT (000)	BORROWER	BANK LOAN RATINGS+		STATED MATURITY*	VALUE
		MOODY'S	S&P		
	TRANSPORTATION--RAIL MANUFACTURING 0.2%				
\$ 3,000	Helm, Inc., Term Loan.....	NR	NR	07/02/10	\$ 3,038,124
					-----
	UTILITIES 4.0%				
6,800	AES Corp., Term Loan (i)...	Ba3	B+	04/30/08	6,897,145
22,444	Allegheny Energy, Inc., Term Loan (i).....	B1	B	03/08/11 to 06/08/11	22,847,462
2,547	CenterPoint Energy, Inc., Revolving Credit Agreement.....	Ba1	BBB-	10/07/06	2,541,530
4,190	Midwest Generation, LLC, Term Loan.....	Ba3	B+	04/27/11	4,249,724
20,071	Mission Energy Holdings Co., Term Loan.....	Caa2	CCC	12/11/06	20,171,133
4,764	Pike Electric, Inc., Term Loan.....	NR	NR	07/01/12	4,853,324
					-----
					61,560,318
					-----
	TOTAL VARIABLE RATE** SENIOR LOAN INTERESTS 168.2%.....				2,614,636,657
					-----

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

NOTES 1.5%	
Alderwoods Group, Inc. (\$2,120,200 par, 12.25% coupon, maturing 01/02/09)....	2,350,772
American Home Patient, Inc. (\$5,430,689 par, 6.79% to 8.57% coupon, maturing 7/1/09).....	4,190,683
Barjan Products, LLC (\$1,122,526 par, 5.00% coupon, maturing 04/30/07) (k)...	0
Commonwealth Brands, Inc. (\$1,500,000 par, 8.74% coupon, maturing 04/15/08) (h).....	1,567,500
Dade Behring, Inc. (\$5,034,823 par, 11.91% coupon, maturing 10/03/10).....	5,613,827
Pioneer Cos., Inc. (\$1,624,077 par, 5.09% coupon, maturing 12/31/06) (h).....	1,542,873
Satelites Mexicanos (\$7,385,000 par, 5.84% coupon, maturing 06/30/04), 144A Private Placement (b) (g) (h).....	6,388,025
US Unwired, Inc. (\$1,200,000 par, 5.79% coupon, maturing 06/15/10) (h).....	1,215,000
	-----
TOTAL NOTES.....	22,868,680
	-----

EQUITIES 2.4%	
Barjan Products, Inc. (2,201,571 preferred shares, Acquired 06/21/04, Cost \$3,104,488) (e) (f).....	0
Dade Behring Holdings, Inc. (166,320 common shares) (e).....	8,264,441
Environmental Systems Products Holdings, Inc. (3,275 common shares, Acquired 06/22/04, Cost \$0) (e) (f).....	33
Gentek, Inc. (183,978 common shares) (e).....	8,095,032
Gentek, Inc. (Warrants for 271 common shares) (e).....	0
Holmes Group, Inc. (Warrants for 1,851 common shares, Acquired 05/24/04, Cost \$0) (f).....	5,183
IDT Corp. (22,898 common shares) (e).....	360,644

26

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

DESCRIPTION	VALUE
-----	-----
EQUITIES (CONTINUED)	
Imperial Home Decor Group, Inc. (512,023 common shares, Acquired 04/26/01, Cost \$522,263) (d) (e) (f).....	\$ 0
Malden Mills Industries (263,436 common shares, Acquired 10/29/03, Cost \$0) (e) (f).....	0
Malden Mills Industries (860,902 preferred shares, Acquired 10/29/03, Cost \$0) (e) (f).....	0
NeighborCare, Inc. (512,640 common shares) (e).....	13,144,090
Neoplan USA Corp. (2,262 preferred shares, Acquired 09/04/03, Cost \$1,074,522) (d) (e) (f).....	1,072,775
Neoplan USA Corp. (8,517 common shares, Acquired 09/04/03, Cost \$85) (d) (e) (f).....	85
Orius Corp. (315,080 common shares, Acquired 02/03/03, Cost \$0) (e) (f).....	0
Outsourcing Solutions (74,835 common shares, Acquired 01/30/04, Cost \$3,399,503) (e) (f).....	2,619,225

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

Railworks Corp. (186 preferred shares, Acquired 02/10/03, Cost \$2,135,664)	
(e) (f).....	0
Railworks Corp. (Warrants for 3,282 common shares, Acquired 02/10/03, Cost \$0) (e) (f).....	0
Rotech Medical Corp. (48,485 common shares, Acquired 06/12/02, Cost \$193,940) (e) (f).....	0
Safelite Glass Corp. (421,447 common shares, Acquired 10/20/00, Cost \$1,714,995) (e) (f).....	3,991,103
Safelite Realty (28,448 common shares, Acquired 10/06/00, Cost \$0) (f).....	0
Targus Group International (Warrants for 28,689 common shares, Acquired 01/30/04, Cost \$0) (e) (f).....	1,147
	-----
TOTAL EQUITIES 2.4%.....	37,553,758
	-----
TOTAL LONG-TERM INVESTMENTS 172.1%	
(Cost \$2,683,027,599).....	2,675,059,095
	-----
SHORT-TERM INVESTMENTS 4.4%	
REPURCHASE AGREEMENT 3.0%	
State Street Bank & Trust Corp. (\$47,200,000 par collateralized by U.S. Government obligations in a pooled cash account, interest rate of 1.25%, dated 07/30/04, to be sold on 08/02/04 at \$47,203,278) (i).....	47,200,000
	-----
See Notes to Financial Statements	27

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

DESCRIPTION	VALUE
-----	-----
TIME DEPOSIT 1.4%	
State Street Bank & Trust Corp. (\$21,730,406 par collateralized by U.S. Government obligations in a pooled cash account, interest rate of 0.75%, dated 07/30/04, to be sold on 08/02/04 at \$21,731,311) (i).....	\$ 21,730,406
	-----
TOTAL SHORT-TERM INVESTMENTS 4.4%	
(Cost \$68,930,406).....	68,930,406
	-----
TOTAL INVESTMENTS 176.5%	
(Cost \$2,751,958,005).....	2,743,989,501
BORROWINGS (29.0)%.....	(450,000,000)
PREFERRED SHARES (INCLUDING ACCRUED DISTRIBUTIONS) (45.0)%.....	(700,130,072)
LIABILITIES IN EXCESS OF OTHER ASSETS (2.5)%.....	(39,750,662)
	-----
NET ASSETS 100.0%.....	\$1,554,108,767
	=====

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

NR--Not rated

- + Bank Loans rated below Baa by Moody's Investor Service, Inc. or BBB by Standard & Poor's Group are considered to be below investment grade. (Bank loan ratings are unaudited.)

Industry percentages are calculated as a percentage of net assets.

- (a) This Senior Loan interest is non-income producing.
- (b) 144A Securities are those which are exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold in transactions exempt from registration which are normally transactions with qualified institutional buyers.
- (c) This borrower has filed for protection in federal bankruptcy court.
- (d) Affiliated company. See Notes to Financial Statements.
- (e) Non-income producing security as this stock or warrant currently does not declare dividends.
- (f) Restricted Security. Securities were acquired through the restructuring of senior loans. These securities are restricted as they are not allowed to be deposited via the Depository Trust Company. If at a later point in time, the company wishes to register, the issuer will bear the costs associated with registration. The aggregate value of restricted securities represents 0.49% of the net assets of the Trust.
- (g) The borrower is in the process of restructuring or amending the terms of this loan.
- (h) Variable rate security. Interest rate shown is that in effect at July 31, 2004.
- (i) A portion of this security is designated in connection with unfunded commitments.
- (j) This borrower is currently in liquidation.

28

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

PORTFOLIO OF INVESTMENTS -- JULY 31, 2004 continued

- (k) Payment-in-kind security.
- (l) Subsequent to July 31, 2004, this borrower has emerged from bankruptcy.
- \* Senior Loans in the Trust's portfolio generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a Borrower to prepay, prepayments of Senior Loans in the Trust's portfolio may occur. As a result, the actual remaining maturity of Senior Loans held in the Trust's portfolio may be substantially less than the stated maturities shown. Although the Trust is unable to accurately estimate the actual remaining maturity of individual Senior Loans, the Trust estimates that the actual average maturity of the Senior Loans held in its portfolio will be approximately 18-24 months.

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

\*\* Senior Loans in which the Trust invests generally pay interest at rates which are periodically redetermined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as the London Inter-Bank Offered Rate ("LIBOR"), (ii) the prime rate offered by one or more major United States banks and (iii) the certificate of deposit rate. Senior Loans are generally considered to be restricted in that the Trust ordinarily is contractually obligated to receive approval from the Agent Bank and/or Borrower prior to the disposition of a Senior Loan.

See Notes to Financial Statements

29

### VAN KAMPEN SENIOR INCOME TRUST

#### FINANCIAL STATEMENTS

Statement of Assets and Liabilities  
July 31, 2004

<b>ASSETS:</b>	
Total Investments (Cost \$2,751,958,005).....	\$2,743,989,501
Cash.....	6
<b>Receivables:</b>	
Interest and Fees.....	9,467,250
Investments Sold.....	5,216,213
Other.....	163,729
	-----
Total Assets.....	2,758,836,699
	-----
<b>LIABILITIES:</b>	
<b>Payables:</b>	
Borrowings.....	450,000,000
Investments Purchased.....	50,429,602
Investment Advisory Fee.....	1,930,136
Administrative Fee.....	454,150
Distributor and Other Affiliates.....	304,588
Income Distributions--Common Shares.....	94,426
Accrued Expenses.....	530,818
Accrued Interest Expense.....	494,407
Trustees' Deferred Compensation and Retirement Plans.....	359,733
	-----
Total Liabilities.....	504,597,860
Preferred Shares (including accrued distributions).....	700,130,072
	-----
NET ASSETS APPLICABLE TO COMMON SHARES.....	\$1,554,108,767
	=====
NET ASSET VALUE PER COMMON SHARE (\$1,554,108,767 divided by 180,010,000 shares outstanding).....	\$ 8.63
	=====
<b>NET ASSETS CONSIST OF:</b>	
Common Shares (\$.01 par value with an unlimited number of shares authorized, 180,010,000 shares issued and outstanding).....	\$ 1,800,100
Paid in Surplus.....	1,788,750,056
Accumulated Undistributed Net Investment Income.....	538,614
Net Unrealized Depreciation.....	(7,968,504)
Accumulated Net Realized Loss.....	(229,011,499)
	-----
NET ASSETS APPLICABLE TO COMMON SHARES.....	\$1,554,108,767

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

PREFERRED SHARES	
(\$0.01 par value, authorized 28,000 shares, 28,000 issued with liquidation preference of \$25,000 per share).....	\$ 700,000,000
NET ASSETS INCLUDING PREFERRED SHARES.....	\$2,254,108,767

30

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

FINANCIAL STATEMENTS continued

Statement of Operations  
For the Year Ended July 31, 2004

INVESTMENT INCOME:	
Interest (\$29,987 received as interest income from affiliates).....	\$105,424,904
Dividends.....	95,820
Other.....	5,145,059
Total Income.....	110,665,783
EXPENSES:	
Investment Advisory Fee.....	19,020,872
Administrative Fee.....	4,475,499
Credit Line.....	1,951,307
Legal.....	959,561
Preferred Share Maintenance.....	830,950
Custody.....	587,917
Trustees' Fees and Related Expenses.....	104,879
Other.....	1,147,580
Total Operating Expenses.....	29,078,565
Interest Expense.....	4,718,735
NET INVESTMENT INCOME.....	\$ 76,868,483
REALIZED AND UNREALIZED GAIN/LOSS:	
Net Realized Gain (\$57,947 from affiliates).....	\$ 21,290,086
Unrealized Appreciation/Depreciation:	
Beginning of the Period.....	(87,962,378)
End of the Period.....	(7,968,504)
Net Unrealized Appreciation During the Period.....	79,993,874
NET REALIZED AND UNREALIZED GAIN.....	\$101,283,960
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS.....	\$ (3,970,944)
NET INCREASE IN NET ASSETS APPLICABLE TO COMMON SHARES FROM OPERATIONS.....	\$174,181,499

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

See Notes to Financial Statements

31

VAN KAMPEN SENIOR INCOME TRUST

FINANCIAL STATEMENTS continued

Statements of Changes in Net Assets

	FOR THE YEAR ENDED JULY 31, 2004	FOR THE YEAR ENDED JULY 31, 2003
	-----	-----
FROM INVESTMENT ACTIVITIES:		
Operations:		
Net Investment Income.....	\$ 76,868,483	\$ 83,693,834
Net Realized Gain/Loss.....	21,290,086	(33,874,642)
Net Unrealized Appreciation During the Period.....	79,993,874	58,694,953
Distributions to Preferred Shareholders:		
Net Investment Income.....	(3,970,944)	-0-
	-----	-----
Change in Net Assets Applicable to Common Shares from Operations.....	174,181,499	108,514,145
Distributions to Common Shareholders:		
Net Investment Income.....	(71,823,861)	(79,888,289)
	-----	-----
NET CHANGE IN NET ASSETS APPLICABLE TO COMMON SHARES FROM INVESTMENT ACTIVITIES.....	102,357,638	28,625,856
FROM CAPITAL TRANSACTIONS:		
Offering Costs on Preferred Shares.....	(6,835,194)	-0-
	-----	-----
TOTAL INCREASE IN NET ASSETS APPLICABLE TO COMMON SHARES.....	95,522,444	28,625,856
NET ASSETS APPLICABLE TO COMMON SHARES:		
Beginning of the Period.....	1,458,586,323	1,429,960,467
	-----	-----
End of the Period (Including accumulated undistributed net investment income of \$538,614 and \$1,189,293, respectively).....	\$1,554,108,767	\$1,458,586,323
	=====	=====

32

See Notes to Financial Statements

VAN KAMPEN SENIOR INCOME TRUST

FINANCIAL STATEMENTS continued

Statement of Cash Flows

For the Year Ended July 31, 2004

CHANGE IN NET ASSETS FROM OPERATIONS (EXCLUDING PREFERRED



Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

SHARE DISTRIBUTIONS).....	\$	178,152,443	
-----			
Adjustments to Reconcile the Change in Net Assets from Operations to Net Cash Used for Operating Activities:			
Increase in Investments at Value.....		(825,273,371)	
Increase in Interest and Fees Receivables.....		(2,238,002)	
Decrease in Receivable for Investments Sold.....		18,197,560	
Decrease in Other Assets.....		15,319	
Increase in Investment Advisory Fee Payable.....		586,757	
Increase in Administrative Fee Payable.....		138,061	
Increase in Distributor and Affiliates Payable.....		230,192	
Decrease in Payable for Investments Purchased.....		(36,503,470)	
Decrease in Accrued Expenses.....		(13,578)	
Increase in Trustees' Deferred Compensation and Retirement Plans.....		44,313	
Change in Accrued Interest Expense.....		137,645	
-----			
Total Adjustments.....		(844,678,574)	
-----			
NET CASH USED FOR OPERATING ACTIVITIES.....		(666,526,131)	
-----			
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of Preferred Shares.....		700,000,000	
Change in Offering Costs on Preferred Shares.....		(6,835,194)	
Change in Bank Borrowings.....		49,000,000	
Change in Intra-day Credit Line with Custodian Bank.....		(68,362)	
Cash Distributions Paid.....		(75,570,307)	
-----			
Net Cash Provided by Financing Activities.....		666,526,137	
-----			
NET INCREASE IN CASH.....		6	
Cash at Beginning of the Period.....		-0-	
-----			
CASH AT THE END OF THE PERIOD.....	\$	6	
=====			
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid during the year for Interest.....	\$	4,581,090	
=====			

See Notes to Financial Statements

33

VAN KAMPEN SENIOR INCOME TRUST

FINANCIAL HIGHLIGHTS

THE FOLLOWING SCHEDULE PRESENTS FINANCIAL HIGHLIGHTS FOR ONE SHARE OF THE TRUST OUTSTANDING THROUGHOUT THE PERIODS INDICATED.

		-----	
		2004	2003
		-----	-----
NET ASSET VALUE, BEGINNING OF THE PERIOD (a).....	\$	8.10	\$ 7.94
-----			
Net Investment Income.....		.42	.46
Net Realized and Unrealized Gain/Loss.....		.57	.14
Common Share Equivalent of Distributions Paid to Preferred			

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

Shareholders:		
Net Investment Income.....	(.02)	-0-
	-----	-----
Total from Investment Operations.....	.97	.60
	-----	-----
Distributions To Common Shareholders:		
Net Investment Income.....	(.40)	(.44)
Net Realized Gain.....	-0-	-0-
Dilutive impact from the offering of Money Market Cumulative Preferred Shares.....	(.04)	-0-
	-----	-----
NET ASSET VALUE, END OF THE PERIOD.....	\$ 8.63	\$ 8.10
	=====	=====
Common Share Market Price at End of the Period.....	\$ 8.84	\$ 7.84
Total Return* (b).....	18.13%	25.06%
Net Assets Applicable to Common Shares at End of the Period (In millions).....	\$1,554.1	\$1,458.6
Ratios to Average Net Assets applicable to Common Shares excluding Borrowings:		
Operating Expense* (f).....	1.91%	1.59%
Interest Expense (f).....	.31%	.62%
Gross Expense* (f).....	2.22%	2.21%
Net Investment Income* (f).....	5.06%	5.98%
Net Investment Income* (g).....	4.80%	N/A
Portfolio Turnover (c).....	84%	78%
SUPPLEMENTAL RATIOS:		
Ratios to Average Net Assets including Preferred Shares and Borrowings:		
Operating Expense* (f).....	1.30%	1.19%
Interest Expense (f).....	.21%	.46%
Gross Expense* (f).....	1.51%	1.65%
Net Investment Income* (f).....	3.44%	4.47%
Net Investment Income* (g).....	3.26%	N/A
SENIOR INDEBTEDNESS:		
Total Preferred Shares Outstanding.....	28,000	N/A
Asset Coverage Per Preferred Share (h).....	\$ 80,509	N/A
Involuntary Liquidating Preference Per Preferred Share.....	\$ 25,000	N/A
Average Market Value Per Preferred Share.....	\$ 25,000	N/A
Total Borrowing Outstanding (In thousands).....	\$450,000	\$401,000
Asset Coverage Per \$1,000 Unit of Senior Indebtedness (d).....	6,009	4,637

\* If certain expenses had not been voluntarily assumed by Van Kampen, total return would have been lower and the Ratio of Operating Expenses to Average Net Assets, Ratio of Gross Expenses to Average Net Assets and the Ratio of Net Investment Income to Average Net Assets would have been 1.21%, 1.49% and 6.90% for the period ended July 31, 1998.

\*\* Non-Annualized

(a) Net asset value on June 24, 1998 of \$10.00 is adjusted for common share offering costs of \$.013.

(b) Total return based on common share market price assumes an investment at the common share market price at the beginning of the period indicated, reinvestment of all distributions for the period in accordance with the Trust's dividend reinvestment plan, and sale of all shares at the closing common share market price at the end of the period indicated.

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

(c) Calculation includes the proceeds from principal repayments and sales of variable rate senior loan interests.

(d) Calculated by subtracting the Trust's total liabilities (not including the Borrowings) from the Trust's total assets and dividing by the total number of senior indebtedness units, where one unit equals \$1,000 of senior indebtedness.

34

VAN KAMPEN SENIOR INCOME TRUST

FINANCIAL HIGHLIGHTS continued

YEAR ENDED JULY 31,	JUNE 24, 1998 (COMMENCEMENT OF INVESTMENT OPERATIONS) TO JULY 31, 1998			
2002 (E)	2001	2000	1999	
\$ 8.51	\$ 9.65	\$ 10.08	\$ 10.07	\$ 9.99
.49	.79	.81	.77	.07
(.55)	(1.10)	(.42)	-0-	.01
-0-	-0-	-0-	-0-	-0-
(.06)	(.31)	.39	.77	.08
(.51)	(.83)	(.81)	(.76)	-0-
-0-	-0-	(.01)	-0-	-0-
-0-	-0-	-0-	-0-	-0-
\$ 7.94	\$ 8.51	\$ 9.65	\$ 10.08	\$ 10.07
\$ 6.67	\$ 7.79	\$ 8.75	\$ 9.5625	\$10.0625
-8.05%	-1.42%	.61%	2.98%	.63%**
\$1,430.0	\$1,532.7	\$1,736.5	\$1,815.1	\$1,812.1
1.48%	1.63%	1.75%	1.66%	1.18%
.53%	2.15%	2.49%	2.37%	.28%
2.01%	3.78%	4.24%	4.03%	1.46%
6.02%	8.90%	8.19%	7.72%	6.94%
N/A	N/A	N/A	N/A	N/A
65%	55%	57%	28%	3%**
1.22%	1.20%	1.24%	1.18%	N/A
.44%	1.58%	1.77%	1.67%	N/A
1.66%	2.78%	3.01%	2.85%	N/A
4.95%	6.55%	5.83%	5.46%	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
\$370,159	\$375,000	\$700,000	\$800,000	\$400,000
4,863	5,087	3,481	3,269	5,530

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

(e)As required, effective August 1, 2001, the Trust has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing premium on fixed income securities. The effect of this change for the year ended July 31, 2002 was to decrease the ratio of net investment income to average net asset applicable to common shares by .01%. Net investment income per share and net realized and unrealized gains and losses per share were unaffected by the adjustments. Per share, ratios and supplemental data for the periods prior to July 31, 2002 have not been restated to reflect this change in presentation.

(f)Ratios do not reflect the effect of distributions to preferred shareholders.

(g)Ratios reflect the effect of distributions to preferred shareholders.

(h)Calculated by subtracting the Trust's total liabilities (not including the preferred shares) from the Trust's total assets and dividing this by the number of preferred shares outstanding.

N/A=Not Applicable.

See Notes to Financial Statements

35

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004

### 1. SIGNIFICANT ACCOUNTING POLICIES

Van Kampen Senior Income Trust (the "Trust") is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended. The Trust's investment objective is to provide a high level of current income, consistent with preservation of capital. The Trust seeks to achieve its objective by investing primarily in a portfolio of interests in floating or variable rate senior loans to corporations, partnerships and other entities which operate in a variety of industries and geographical regions. The Trust borrows money for investment purposes which will create the opportunity for enhanced return, but also should be considered a speculative technique and may increase the Trust's volatility. The Trust commenced investment operations on June 24, 1998. Effective November 30, 2003, the Trust's investment adviser, Van Kampen Investment Advisory Corp. merged into its affiliate, Van Kampen Asset Management.

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

A. SECURITY VALUATION The Trust's Senior Loans are valued by the Trust following valuation guidelines established and periodically reviewed by the Trust's Board of Trustees. Under the valuation guidelines, Senior Loans for which reliable market quotes are readily available are valued at the mean of such bid and ask quotes. Where reliable market quotes are not readily available, Senior Loans are valued, where possible, using independent market indicators provided by independent pricing sources approved by the Board of Trustees. Other Senior Loans are valued by independent pricing sources approved by the Board of

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

Trustees based upon pricing models developed, maintained and operated by those pricing sources or valued by Van Kampen Asset Management (the "Adviser") by considering a number of factors including consideration of market indicators, transactions in instruments which the Adviser believes may be comparable (including comparable credit quality, interest rate, interest rate redetermination period and maturity), the credit worthiness of the Borrower, the current interest rate, the period until next interest rate redetermination and the maturity of such Senior Loan. Consideration of comparable instruments may include commercial paper, negotiable certificates of deposit and short-term variable rate securities which have adjustment periods comparable to the Senior Loans in the Trust's portfolio. The fair value of Senior Loans are reviewed and approved by the Trust's Valuation Committee and the Board of Trustees.

Equity securities are valued on the basis of prices furnished by pricing services or as determined in good faith by the Adviser under the direction of the Board of Trustees.

Short-term securities with remaining maturities of 60 days or less are valued at amortized cost, which approximates market value. Short-term loan participations are valued at cost in the absence of any indication of impairment.

The Trust may invest in repurchase agreements, which are short-term investments in which the Trust acquires ownership of a debt security and the seller agrees to repurchase the security at a future time and specified price. Repurchase agreements are fully collateralized by

36

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004 continued

the underlying debt security. The Trust will make payment for such securities only upon physical delivery or evidence of book entry transfer to the account of the custodian bank. The seller is required to maintain the value of the underlying security at not less than the repurchase proceeds due the Trust.

B. SECURITY TRANSACTIONS Investment transactions are recorded on a trade date basis. Realized gains and losses are determined on an identified cost basis. Legal expenditures that are expected to result in the restructuring of or a plan of reorganization for an investment are recorded as realized losses.

C. INVESTMENT INCOME Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Facility fees received are treated as market discounts. Market premiums are amortized and discounts are accreted over the stated life of each applicable senior loan, note, or other fixed income security. Other income is comprised primarily of amendment fees which are recorded when received. Amendment fees are earned as compensation for agreeing to changes in loan agreements.

D. FEDERAL INCOME TAXES It is the Trust's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no provision for federal income taxes is required.

The Trust intends to utilize provisions of the federal income tax laws which allow it to carry a realized capital loss forward for eight years following the year of the loss and offset such losses against any future realized capital gains. At July 31, 2004, the Trust had an accumulated capital loss carryforward for tax purposes of \$209,217,198, which will expire between July 31, 2009 and

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

July 31, 2012.

At July 31, 2004, the cost and related gross unrealized appreciation and depreciation are as follows:

Cost of investments for tax purposes.....	\$2,766,702,504	=====
Gross tax unrealized appreciation.....	\$ 52,984,198	
Gross tax unrealized depreciation.....	(75,943,781)	-----
Net tax unrealized depreciation on investments.....	\$ (22,959,583)	=====

E. DISTRIBUTION OF INCOME AND GAINS The Trust intends to declare and pay monthly dividends from net investment income to common shareholders. Net realized gains, if any, are to be distributed at least annually to common shareholders. Distributions from net realized gains for book purposes may include short term capital gains, which are included as ordinary income for tax purposes.

37

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004 continued

The tax character of distributions paid for the years ended July 31, 2004 and 2003 was as follows:

	2004	2003
Distributions paid from:		
Ordinary income.....	\$75,570,307	\$79,888,289
Long-term capital gain.....	-0-	-0-
	-----	-----
	\$75,570,307	\$79,888,289
	=====	=====

Due to inherent differences in the recognition of income, expenses and realized gains/losses under accounting principles generally accepted in the United States of America and federal income tax purposes, permanent differences between book and tax basis reporting have been identified and appropriately reclassified on the Statement of Assets and Liabilities. A permanent difference related to book to tax amortization differences totaling \$1,808,397 has been reclassified from accumulated undistributed net investment income to accumulated net realized loss. A permanent book and tax difference related to excise taxes which are not deductible for tax purposes totaling \$84,040 has been reclassified to paid in surplus from accumulated undistributed net investment income.

As of July 31, 2004, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income.....	\$1,498,215
------------------------------------	-------------

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

Net realized gains and losses may differ for financial and tax reporting purposes primarily as a result of the deferral of losses resulting from wash sale transactions, other losses that were recognized for book purposes but not tax purposes at the end of the fiscal year and post October losses which are not realized for tax purposes until the first day of the following fiscal year.

### 2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Under the terms of the Trust's Investment Advisory Agreement, the Adviser will provide investment advice and facilities to the Trust for an annual fee of .85% of the average daily managed assets. Managed assets are defined as the gross asset value of the Trust minus the sum of accrued liabilities, other than the aggregate amount of borrowings undertaken by the Trust. In addition, the Trust will pay a monthly administrative fee to Van Kampen Investments Inc., the Trust's Administrator, at an annual rate of .20% of the average daily managed assets of the Trust. The administrative services provided by the Administrator include monitoring the provisions of the loan agreements and any agreements with respect to participations and assignments, record keeping responsibilities with respect to interests in Variable Rate Senior Loans in the Trust's portfolio and providing certain services to the holders of the Trust's securities.

For the year ended July 31, 2004, the Trust recognized expenses of approximately \$194,100 representing legal services provided by Skadden, Arps, Slate, Meagher & Flom LLP, counsel to the Trust, of which a trustee of the Trust is an affiliated person.

Under a Legal Services agreement, the Adviser provides legal services to the Trust. The Adviser allocates the cost of such services to each Trust. For the year ended July 31, 2004, the

38

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004 continued

Trust recognized expenses of approximately \$78,800 representing Van Kampen Investments Inc.'s or its affiliates' (collectively "Van Kampen") cost of providing legal services to the Trust, which are reported as "Legal" expenses in the Statement of Operations.

Certain officers and trustees of the Trust are also officers and directors of Van Kampen. The Trust does not compensate its officers or trustees who are officers of Van Kampen.

The Trust provides deferred compensation and retirement plans for its trustees who are not officers of Van Kampen. Under the deferred compensation plan, trustees may elect to defer all or a portion of their compensation to a later date. Benefits under the retirement plan are payable for a ten-year period and are based upon each trustee's years of service to the Trust. The maximum annual benefit per trustee under the plan is \$2,500.

During the period, the Trust owned shares of the following affiliated companies. Affiliated companies are defined by the Investment Company Act of 1940 as those companies in which a fund holds 5% or more of the outstanding voting securities.

INTEREST/

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

NAME	PAR/ SHARES *	REALIZED GAIN/ (LOSS)	DIVIDEND INCOME	MARKET VALUE 7/31/04	COST
Imperial Home Decor Group, Inc., Term Loan.....	1,422,288	-0-	-0-	\$ 35,557	\$1,367,8
Imperial Home Decor Group, Inc., Common Stock.....	512,023	-0-	-0-	-0-	522,2
Neoplan USA Corp., Revolving Credit Agreement.....	911,250	-0-	29,987	911,250	911,2
Neoplan USA Corp., Common Stock.....	8,517	-0-	-0-	85	
Neoplan USA Corp., Preferred Stock C.....	532	-0-	-0-	532	5
Neoplan USA Corp., Preferred Stock D.....	1,730	-0-	-0-	1,072,243	1,073,9
Total.....		-0-	29,987		

\* Shares were acquired through the restructuring of Senior loan interests.

NAME	SHARES AS OF 7/31/2003	GROSS ADDITIONS	GROSS REDUCTIONS	SHARES AS OF 7/31/2004	REALIZED GAIN/ (LOS
Imperial Home Decor Realty, Inc., Common Stock.....	512,023	-0-	512,023	-0-	57,947
Neoplan USA Corp., Revolving Credit Agreement.....	900,000	11,250	-0-	911,250	-0-

At July 31, 2004, Van Kampen owned 10,000 common shares of the Trust.

3. INVESTMENT TRANSACTIONS

During the period, the costs of purchases and proceeds from investments sold and repaid, excluding short-term investments, were \$2,571,311,474 and \$1,890,374,351, respectively.

39

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004 continued

4. COMMITMENTS

Pursuant to the terms of certain of the Variable Rate Senior Loan agreements, the Trust had unfunded loan commitments of approximately \$133,470,400 as of July 31, 2004. The Trust intends to reserve against such contingent obligations by segregating cash, liquid securities and liquid Senior Loans as a reserve.

5. SENIOR LOAN PARTICIPATION COMMITMENTS

The Trust invests primarily in participations, assignments, or acts as a party to the primary lending syndicate of a Variable Rate Senior Loan interest to United States and foreign corporations, partnerships, and other entities. When the Trust purchases a participation of a Senior Loan interest, the Trust



## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

typically enters into a contractual agreement with the lender or other third party selling the participation, but not with the borrower directly. As such, the Trust assumes the credit risk of the borrower, selling participant or other persons interpositioned between the Trust and the borrower.

At July 31, 2004, the following sets forth the selling participants with respect to interests in Senior Loans purchased by the Trust on a participation basis.

SELLING PARTICIPANT	PRINCIPAL AMOUNT (000)	VALUE (000)
Bank of America.....	\$4,436	\$4,458
	-----	-----
Total.....	\$4,436	\$4,458
	=====	=====

### 6. BORROWINGS

As of April 29, 2004, the shareholders approved amending the Trust's fundamental investment restriction regarding the Trust's use of financial leverage. The Trust is now able to utilize financial leverage to the maximum extent allowable under the Investment Company Act of 1940, as amended. Under the 1940 Act, a fund generally may not (i) borrow money greater than 33 1/3% of the fund's total assets or (ii) issue preferred shares greater than 50% of the fund's total assets. In using a combination of borrowing money and issuing preferred shares, the maximum allowable leverage is somewhere between 33 1/3% and 50% (but in no event more than 50%) of the Fund's total assets based on the relative amounts borrowed or preferred shares issued.

The Trust had entered into a \$700 million revolving credit and security agreement. Annual commitment fees of .13% are charged on the unused portion of the credit line. This revolving credit agreement is secured by the assets of the Trust. For the year ended July 31, 2004, the average daily balance of borrowings under the revolving credit agreement was \$408,658,470 with a weighted average interest rate of 1.18%.

### 7. PREFERRED SHARES ISSUANCE

As of February 20, 2004, the Trust issued 5,600 shares each of Series M, Series T, Series W, Series TH and Series F Auction Preferred Shares ("APS"), \$.01 Par Value, \$25,000 liquidation Preference, for a total issuance of \$700 million. The Trust used the net proceeds of the offering to pay down existing borrowings. Dividends are cumulative and the dividend rates are generally reset every seven days through an auction process. The average rate in effect on

40

VAN KAMPEN SENIOR INCOME TRUST

NOTES TO FINANCIAL STATEMENTS -- JULY 31, 2004 continued

July 31, 2004 was 1.68%. During the year ended July 31, 2004, the rates ranged from 1.030% to 1.890%.

The Trust pays annual fees equivalent to .25% of the preferred share liquidation value for the remarketing efforts associated with the preferred

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

auctions. These fees are included as a component of the "Preferred Share Maintenance" expense in the Statement of Operations.

The APS are redeemable at the option of the Trust in whole or in part at the liquidation value of \$25,000 per share plus accumulated and unpaid dividends. The Trust is subject to certain asset coverage tests and the APS are subject to mandatory redemption if the tests are not met.

### 8. INDEMNIFICATIONS

The Trust enters into contracts that contain a variety of indemnifications. The Trust's maximum exposure under these arrangements is unknown. However, the Trust has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

41

VAN KAMPEN SENIOR INCOME TRUST

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Trustees of Van Kampen Senior Income Trust:

We have audited the accompanying statement of assets and liabilities of Van Kampen Senior Income Trust (the "Trust"), including the portfolio of investments, as of July 31, 2004, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The Trust's financial highlights for the period ended prior to July 31, 2000 were audited by other auditors whose report, dated September 14, 1999, expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of July 31, 2004, by correspondence with the Trust's custodian, brokers, and selling or agent banks; where replies were not received, we performed other auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Van Kampen Senior Income Trust as of July 31, 2004, the results of its operations, its cash flows, the changes in its net assets and the financial highlights for the respective stated periods, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP  
Chicago, Illinois  
September 10, 2004

42

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

VAN KAMPEN SENIOR INCOME TRUST

DIVIDEND REINVESTMENT PLAN

The Trust offers a Dividend Reinvestment Plan (the "Plan") pursuant to which Common Shareholders who are participants in the Plan may have all distributions of dividends and capital gains automatically reinvested in Common Shares of the Trust. Common Shareholders who elect not to participate in the Plan will receive all distributions of dividends and capital gains in cash paid by check mailed directly to the Common Shareholder by the Trust's dividend disbursing agent.

HOW THE PLAN WORKS

State Street Bank and Trust Company, as your Plan Agent, serves as agent for the Common Shareholders in administering the Plan. After the Trust declares a dividend or determines to make a capital gains distribution, the Plan Agent will, as agent for the participants, receive the cash payment and use it to buy Common Shares in the open market, on the New York Stock Exchange or elsewhere, for the participants' accounts. The Trust will not issue any new Common Shares in connection with the Plan. All reinvestments are in full and fractional Common Shares, carried to three decimal places.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Trust reserves the right to amend or terminate the Plan as applied to any dividend or capital gains distribution paid subsequent to written notice of the change sent to all Common Shareholders of the Trust at least 90 days before the record date for the dividend or distribution. The Plan also may be amended or terminated by the Plan Agent, with the written consent of the Trust, by providing at least 90 days written notice to all Participants in the Plan.

COSTS OF THE PLAN

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by the Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. No other charges will be made to participants for reinvesting dividends or capital gains distributions, except for certain brokerage commissions, as described above.

TAX IMPLICATIONS

You will receive tax information annually for your personal records and to help you prepare your federal income tax return. The automatic reinvestment of dividends and capital gains distributions does not relieve you of any income tax which may be payable on dividends or distributions.

43

VAN KAMPEN SENIOR INCOME TRUST

DIVIDEND REINVESTMENT PLAN continued

RIGHT TO WITHDRAW

You may withdraw from the Plan at any time by calling 1-800-341-2929 or by writing State Street Bank and Trust Company. If you withdraw, you will receive, without charge, a share certificate issued in your name for all full Common Shares credited to your account under the Plan, and a cash payment will be made for any fractional Common Share credited to your account under the Plan. You may

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

again elect to participate in the Plan at any time by calling 1-800-341-2929 or writing to the Trust at:

2800 Post Oak Blvd.  
Attn: Closed-End Funds  
Houston, TX 77056

44

VAN KAMPEN SENIOR INCOME TRUST

BOARD OF TRUSTEES AND IMPORTANT ADDRESSES

BOARD OF TRUSTEES

DAVID C. ARCH  
ROD DAMMEYER  
HOWARD J KERR  
RICHARD F. POWERS, III\* - Chairman  
HUGO F. SONNENSCHNEIN  
WAYNE W. WHALEN\*

INVESTMENT ADVISER

VAN KAMPEN ASSET MANAGEMENT  
1221 Avenue of the Americas  
New York, NY 10020

CUSTODIAN AND TRANSFER AGENT

STATE STREET BANK  
AND TRUST COMPANY  
c/o EquiServe  
P.O. Box 43011  
Providence, Rhode Island 02940-3011

LEGAL COUNSEL

SKADDEN, ARPS, SLATE,  
MEAGHER & FLOM LLP  
333 West Wacker Drive  
Chicago, Illinois 60606

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

DELOITTE & TOUCHE LLP  
180 North Stetson Avenue  
Chicago, Illinois 60601

\* "Interested persons" of the Trust, as defined in the Investment Company Act of 1940, as amended.

45

VAN KAMPEN SENIOR INCOME TRUST

RESULTS OF SHAREHOLDER VOTES

The Annual Meeting of Shareholders of the Trust was held on June 23, 2004, where shareholders voted on the election of trustees.

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

With regards to the election of the following trustees by the shareholders of the Trust:

	# OF SHARES	
	IN FAVOR	WITHHELD
Richard F. Powers, III.....	167,914,875	2,695,790
Hugo Sonnenschein.....	24,080	-0-

The other trustees who terms did not expire in 2004 are David C. Arch, Howard J Kerr, Rod Dammeyer and Wayne W. Whalen.

A Special Meeting of Shareholders of the Trust was held on April 29, 2004, where shareholders voted to amend the fundamental investment restriction regarding the Trust's use of financial leverage.

	# OF SHARES		
	IN FAVOR	AGAINST	ABSTAIN
Amendment of Investment Restriction.....	73,365,075	12,435,342	7,922,190

46

VAN KAMPEN SENIOR INCOME TRUST

TRUSTEE AND OFFICER INFORMATION

The business and affairs of the Trust are managed under the direction of the Trust's Board of Trustees and the Trust's officers appointed by the Board of Trustees. The tables below list the trustees and executive officers of the Trust and their principal occupations during the last five years, other directorships held by trustees and their affiliations, if any, with Van Kampen Investments Inc. ("Van Kampen Investments"), Van Kampen Asset Management (the "Adviser"), Van Kampen Funds Inc. (the "Distributor"), Van Kampen Advisors Inc., Van Kampen Exchange Corp. and Van Kampen Investor Services Inc. ("Investor Services"). The term "Fund Complex" includes each of the investment companies advised by the Adviser or its affiliates as of the date of this Statement of Additional Information. Trustees serve until reaching their retirement age or until their successors are duly elected and qualified. Officers are annually elected by the trustees.

INDEPENDENT TRUSTEES:

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE
--	-----------------------------	--	---	---

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

David C. Arch (58) Blistex Inc. 1800 Swift Drive Oak Brook, IL 60523	Trustee	Trustee since 1998	Chairman and Chief Executive Officer of Blistex Inc., a consumer health care products manufacturer. Director of the Heartland Alliance, a nonprofit organization serving human needs based in Chicago. Director of St. Vincent de Paul Center, a Chicago based day care facility serving the children of low income families. Board member of the Illinois Manufacturer's Association.	85
---	---------	-----------------------	--	----

47

VAN KAMPEN SENIOR INCOME TRUST  
 TRUSTEE AND OFFICER INFORMATION continued

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE
Rod Dammeyer (63) CAC, L.L.C. 4350 LaJolla Village Drive Suite 980 San Diego, CA 92122-6223	Trustee	Trustee since 1998	President of CAC, L.L.C., a private company offering capital investment and management advisory services. Prior to February 2001, Vice Chairman and Director of Anixter International, Inc. and IMG Global Inc. Prior to July 2000, Managing Partner of Equity Group Corporate Investment (EGI), a company that makes private investments in other companies.	85

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

48

VAN KAMPEN SENIOR INCOME TRUST  
TRUSTEE AND OFFICER INFORMATION continued

NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE
Howard J Kerr (68) 736 North Western Avenue P.O. Box 317 Lake Forest, IL 60045	Trustee	Trustee since 1998	Prior to 1998, President and Chief Executive Officer of Pocklington Corporation, Inc., an investment holding company. Director of the Marrow Foundation.	85
Hugo F. Sonnenschein (63) 1126 E. 59th Street Chicago, IL 60637	Trustee	Trustee since 1998	President Emeritus and Honorary Trustee of the University of Chicago and the Adam Smith Distinguished Service Professor in the Department of Economics at the University of Chicago. Prior to July 2000, President of the University of Chicago. Trustee of the University of Rochester and a member of its investment committee. Member of the National Academy of Sciences, the American Philosophical Society and a fellow of the American Academy of Arts and Sciences.	85

49

VAN KAMPEN SENIOR INCOME TRUST  
TRUSTEE AND OFFICER INFORMATION continued

INTERESTED TRUSTEES:\*

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

NAME, AGE AND ADDRESS OF INTERESTED TRUSTEE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE
Richard F. Powers, III* (58) 1 Parkview Plaza P.O. Box 5555 Oakbrook Terrace, IL 60181	Trustee	Trustee since 1999	Advisory Director of Morgan Stanley. Prior to December 2002, Chairman, Director, President, Chief Executive Officer and Managing Director of Van Kampen Investments and its investment advisory, distribution and other subsidiaries. Prior to December 2002, President and Chief Executive Officer of funds in the Fund Complex. Prior to May 1998, Executive Vice President and Director of Marketing at Morgan Stanley and Director of Dean Witter, Discover & Co. and Dean Witter Realty. Prior to 1996, Director of Dean Witter Reynolds Inc.	85
Wayne W. Whalen* (65) 333 West Wacker Drive Chicago, IL 60606	Trustee	Trustee since 1998	Partner in the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, legal counsel to funds in the Fund Complex.	85

\* Such trustee is an "interested person" (within the meaning of Section 2(a)(19) of the 1940 Act). Mr. Whalen is an interested person of certain funds in the Fund Complex by reason of his firm currently acting as legal counsel to such funds in the Fund Complex. Messrs. Merin and Powers are interested persons of funds in the Fund Complex and the Adviser by reason of their current or former positions with Morgan Stanley or its affiliates.

50

VAN KAMPEN SENIOR INCOME TRUST

TRUSTEE AND OFFICER INFORMATION continued

OFFICERS:

TERM OF  
OFFICE AND



Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

NAME, AGE AND ADDRESS OF OFFICER	POSITION(S) HELD WITH TRUST	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
Stefanie V. Chang (37) 1221 Avenue of the Americas New York, NY 10020	Vice President and Secretary	Officer since 2003	Executive Director of Morgan Stanley Vice President of funds in the Fund
Amy Doberman (42) 1221 Avenue of the Americas New York, NY 10020	Vice President	Officer since 2004	Managing Director and General Couns Management; Managing Director of Mo Management, Inc., Morgan Stanley In and the Adviser. Vice President of Institutional and Retail Funds sinc President of funds in the Fund Comp Previously, Managing Director and G Americas, UBS Global Asset Manageme 2004 and General Counsel of Aeitus Inc from January 1997 to July 2000.
James M. Dykas (38) 1 Parkview Plaza Oakbrook Terrace, IL 60181	Chief Financial Officer and Treasurer	Officer since 1999	Executive Director of Van Kampen As Stanley Investment Management. Chief Treasurer of funds in the Fund Comp 2004, Assistant Treasurer of funds
Joseph J. McAlinden (61) 1221 Avenue of the Americas New York, NY 10020	Executive Vice President and Chief Investment Officer	Officer since 2002	Managing Director and Chief Investm Stanley Investment Advisors Inc., M Management Inc. and Morgan Stanley Director of Morgan Stanley Trust fo Vice President and Chief Investment Fund Complex. Managing Director and of Van Kampen Investments, the Advi Advisors Inc. since December 2002.
Ronald E. Robison (65) 1221 Avenue of the Americas New York, NY 10020	Executive Vice President and Principal Executive Officer	Officer since 2003	Principal Executive Officer--office November 2003). Chief Executive Off Investor Services. Executive Vice P Executive Officer of funds in the F Director of Morgan Stanley. Chief A Managing Director and Director of M Advisors Inc., Morgan Stanley Servi Managing Director and Director of M Distributors Inc. Chief Executive O Morgan Stanley Trust. Executive Vic Executive Officer of the Institutio Stanley Funds; Director of Morgan S Chief Global Operations Officer and Morgan Stanley Investment Managemen

51

VAN KAMPEN SENIOR INCOME TRUST  
TRUSTEE AND OFFICER INFORMATION continued

NAME, AGE AND ADDRESS OF OFFICER	POSITION(S) HELD WITH TRUST	TERM OF OFFICE AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
----------------------------------	-----------------------------	--	---

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

James L. Sullivan (49)  
1 Parkview Plaza  
Oakbrook Terrace, IL 60181

Chief Compliance Officer  
Officer since 1998

Chief Compliance Officer of funds i  
August 2004. Director and Managing  
Investments, the Adviser, Van Kampe  
certain other subsidiaries of Van K  
August 2004, Vice President, Chief  
Treasurer of funds in the Fund Comp  
Accounting for Morgan Stanley Inves  
to December 2002, Executive Directo  
Investments, the Adviser and Van Ka

Howard Tiffen (56)  
1 Parkview Plaza  
P.O. Box 5555  
Oakbrook Terrace, IL 60181

Vice President  
Officer since 2000

Managing Director of the Advisers a  
Inc. Vice President of the senior l  
Adviser. Prior to 1999, senior port  
Investments. Associate of the Chart  
and a member of the Economic Club o

52

VAN KAMPEN

AN IMPORTANT NOTICE CONCERNING OUR U.S. PRIVACY POLICY

We are required by federal law to provide you with a copy of our Privacy Policy annually.

The following Policy applies to current and former individual clients of Van Kampen Investments Inc., Van Kampen Asset Management, Van Kampen Advisors Inc., Van Kampen Funds Inc., Van Kampen Investor Services Inc. and Van Kampen Exchange Corp., as well as current and former individual investors in Van Kampen mutual funds, unit investment trusts, and related companies.

This Policy is not applicable to partnerships, corporations, trusts or other non-individual clients or account holders, nor is this Policy applicable to individuals who are either beneficiaries of a trust for which we serve as trustee or participants in an employee benefit plan administered or advised by us. This Policy is, however, applicable to individuals who select us to be a custodian of securities or assets in individual retirement accounts, 401(k) accounts, 529 Educational Savings Accounts, accounts subject to the Uniform Gifts to Minors Act, or similar accounts.

Please note that we may amend this Policy at any time, and will inform you of any changes to this Policy as required by law.

WE RESPECT YOUR PRIVACY

We appreciate that you have provided us with your personal financial information. We strive to maintain the privacy of such information while we help you achieve your financial objectives. This Policy describes what non-public personal information we collect about you, why we collect it, and when we may share it with others.

We hope this Policy will help you understand how we collect and share non-public personal information that we gather about you. Throughout this Policy, we refer to the non-public information that personally identifies you or your accounts as "personal information."

1. WHAT PERSONAL INFORMATION DO WE COLLECT ABOUT YOU?

To serve you better and manage our business, it is important that we collect and

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

maintain accurate information about you. We may obtain this information from applications and other forms you submit to us, from your dealings with us, from consumer reporting agencies, from our Web sites and from third parties and other sources.

For example:

- We may collect information such as your name, address, e-mail address, telephone/fax numbers, assets, income and investment objectives through applications and other forms you submit to us.
- We may obtain information about account balances, your use of account(s) and the types of products and services you prefer to receive from us through your dealings and transactions with us and other sources.
- We may obtain information about your creditworthiness and credit history from consumer reporting agencies.
- We may collect background information from and through third-party vendors to verify representations you have made and to comply with various regulatory requirements.
- If you interact with us through our public and private Web sites, we may collect information that you provide directly through online communications (such as an e-mail address). We may also collect information about your Internet service provider, your domain name, your computer's operating system and Web browser,

(continued on back)

VAN KAMPEN

AN IMPORTANT NOTICE CONCERNING OUR U.S. PRIVACY POLICY continued

your use of our Web sites and your product and service preferences, through the use of "cookies." "Cookies" recognize your computer each time you return to one of our sites, and help to improve our sites' content and personalize your experience on our sites by, for example, suggesting offerings that may interest you. Please consult the Terms of Use of these sites for more details on our use of cookies.

### 2. WHEN DO WE DISCLOSE PERSONAL INFORMATION WE COLLECT ABOUT YOU?

To provide you with the products and services you request, to serve you better and to manage our business, we may disclose personal information we collect about you to our affiliated companies and to non-affiliated third parties as required or permitted by law.

A. INFORMATION WE DISCLOSE TO OUR AFFILIATED COMPANIES We do not disclose personal information that we collect about you to our affiliated companies except to enable them to provide services on our behalf or as otherwise required or permitted by law.

B. INFORMATION WE DISCLOSE TO THIRD PARTIES We do not disclose personal information that we collect about you to non-affiliated third parties except to enable them to provide services on our behalf, to perform joint marketing agreements with other financial institutions, or as otherwise required or permitted by law. For example, some instances where we may disclose information about you to non-affiliated third parties include: for servicing and processing transactions, to offer our own products and services, to protect against fraud, for institutional risk control, to respond to judicial process or to perform

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

services on our behalf. When we share personal information with these companies, they are required to limit their use of personal information to the particular purpose for which it was shared and they are not allowed to share personal information with others except to fulfill that limited purpose.

### 3. HOW DO WE PROTECT THE SECURITY AND CONFIDENTIALITY OF PERSONAL INFORMATION WE COLLECT ABOUT YOU?

We maintain physical, electronic and procedural security measures to help safeguard the personal information we collect about you. We have internal policies governing the proper handling of client information. Third parties that provide support or marketing services on our behalf may also receive personal information, and we require them to adhere to confidentiality standards with respect to such information.

Van Kampen Funds Inc.  
1 Parkview Plaza, P.O. Box 5555  
Oakbrook Terrace, IL 60181-5555  
www.vankampen.com

(VAN KAMPEN INVESTMENTS LOGO)

Copyright (C)2004 Van Kampen  
Funds Inc. All rights reserved.  
Member NASD/SIPC.  
VVR ANR 9/04 RN04-01955P-Y07/04

### Item 2. Code of Ethics.

(a) The Trust has adopted a code of ethics (the "Code of Ethics") that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the Trust or a third party.

(b) No information need be disclosed pursuant to this paragraph.

(c) The Trust has amended its Code of Ethics during the period covered by the shareholder report presented in Item 1 hereto.

(d) The Trust has not granted a waiver or an implicit waiver from a provision of its Code of Ethics.

(e) Not applicable.

(f)

- (1) The Trust's Code of Ethics is attached hereto as Exhibit 11A.
- (2) Not applicable.
- (3) Not applicable.

### Item 3. Audit Committee Financial Expert.

The Trust's Board of Trustees has determined that it has one "audit committee financial expert" serving on its audit committee, "independent" Trustee Rod Dammeyer. Under applicable securities laws, a person who is determined to be an audit committee financial expert will not be deemed an "expert" for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, 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,

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

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) (b) (c) (d) and (g). Based on fees billed for the periods shown:

2004	REGISTRANT	COVERED ENTITIES
AUDIT FEES.....	\$72,780	N/A
NON-AUDIT FEES		
AUDIT-RELATED FEES.....	\$21,500 (7)	\$230,000 (2)
TAX FEES.....	\$ 2,300 (3)	\$0 (4)
ALL OTHER FEES.....	\$0	\$0 (5)
TOTAL NON-AUDIT FEES.....	\$23,800	\$230,000
TOTAL.....	\$96,580	\$230,000
2003	REGISTRANT	COVERED ENTITIES
AUDIT FEES.....	\$63,600	N/A
NON-AUDIT FEES		
AUDIT-RELATED FEES.....	\$0	\$95,000 (2)
TAX FEES.....	\$ 2,200 (3)	\$0 (4)
ALL OTHER FEES.....	\$0	\$0 (6)
TOTAL NON-AUDIT FEES.....	\$ 2,200	\$95,000
TOTAL.....	\$65,800	\$95,000

N/A- Not applicable, as not required by Item 4.

(1) Covered Entities include the Adviser (excluding sub-advisors) and any entity controlling, controlled by or under common control with the Adviser that provides ongoing services to the Registrant.

(2) Audit-Related Fees represent assurance and related services provided that are reasonably related to the performance of the audit of the financial statements of the Covered Entities' and funds advised by the Adviser or its affiliates, specifically attestation services provided in connection with a SAS 70 Report.

(3) Tax Fees represent tax advice and compliance services provided

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

in connection with the review of the Registrant's tax.

- (4) Tax Fees represent tax advice services provided to Covered Entities, including research and identification of PFIC entities.
- (5) All Other Fees represent attestation services provided in connection with performance presentation standards.
- (6) All Other Fees represent attestation services provided in connection with performance presentation standards, general industry education seminars provided, and a regulatory review project performed.
- (7) Audit-Related Fees represent agreed upon procedures, and letters provided to underwriters related to the offering and issuance of Preferred Shares by the Registrant.

(e)(1) The audit committee's pre-approval policies and procedures are as follows:

JOINT AUDIT COMMITTEE  
AUDIT AND NON-AUDIT SERVICES  
PRE-APPROVAL POLICY AND PROCEDURES  
OF THE  
VAN KAMPEN FUNDS

AS ADOPTED JULY 23, 2003(1)

1. STATEMENT OF PRINCIPLES

The Audit Committee of the Board is required to review and, in its sole discretion, pre-approve all Covered Services to be provided by the Independent Auditors to the Fund and Covered Entities in order to assure that services performed by the Independent Auditors do not impair the auditor's independence from the Fund.(2)

The SEC has issued rules specifying the types of services that an independent auditor may not provide to its audit client, as well as the audit committee's administration of the engagement of the independent auditor. The SEC's rules establish two different approaches to pre-approving services, which the SEC considers to be equally valid. Proposed services either: may be pre-approved without consideration of specific case-by-case services by the Audit Committee ("general pre-approval"); or require the specific pre-approval of the Audit Committee ("specific pre-approval"). The Audit Committee believes that the combination of these two approaches in this Policy will result in an effective and efficient procedure to pre-approve services performed by the Independent Auditors. As set forth in this Policy, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committee (or by any member of the Audit Committee to which pre-approval authority has been delegated) if it is to be provided by the Independent Auditors. Any proposed services exceeding pre-approved cost levels or budgeted amounts will also require specific pre-approval by the Audit Committee.

For both types of pre-approval, the Audit Committee will consider whether such services are consistent with the SEC's rules on auditor independence. The Audit Committee will also consider whether the Independent Auditors are best positioned to provide the most effective and efficient

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

services, for reasons such as its familiarity with the Fund's business, people, culture, accounting systems, risk profile and other factors, and whether the service might enhance the Fund's ability to manage or control risk or improve audit quality. All such factors will be considered as a whole, and no one factor should necessarily be determinative.

The Audit Committee is also mindful of the relationship between fees for audit and non-audit services in deciding whether to pre-approve any such services and may determine for each fiscal year, the appropriate ratio between the total amount of fees for Audit, Audit-related and Tax services for the Fund (including any Audit-related or Tax service fees for Covered Entities that were subject to pre-approval), and the total amount of fees for certain permissible non-audit services classified as All Other services for the Fund (including any such services for Covered Entities subject to pre-approval).

The appendices to this Policy describe the Audit, Audit-related, Tax and All Other services that have the general pre-approval of the Audit Committee. The term of any general pre-approval is 12 months

-----

(1) This Joint Audit Committee Audit and Non-Audit Services Pre-Approval Policy and Procedures (the "Policy"), adopted as of the date above, supercedes and replaces all prior versions that may have been adopted from time to time.

(2) Terms used in this Policy and not otherwise defined herein shall have the meanings as defined in the Joint Audit Committee Charter.

from the date of pre-approval, unless the Audit Committee considers and provides a different period and states otherwise. The Audit Committee will annually review and pre-approve the services that may be provided by the Independent Auditors without obtaining specific pre-approval from the Audit Committee. The Audit Committee will add to or subtract from the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of this Policy is to set forth the policy and procedures by which the Audit Committee intends to fulfill its responsibilities. It does not delegate the Audit Committee's responsibilities to pre-approve services performed by the Independent Auditors to management.

The Fund's Independent Auditors have reviewed this Policy and believes that implementation of the Policy will not adversely affect the Independent Auditors' independence.

### 2. DELEGATION

As provided in the Act and the SEC's rules, the Audit Committee may delegate either type of pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting.

### 3. AUDIT SERVICES

The annual Audit services engagement terms and fees are subject to the specific pre-approval of the Audit Committee. Audit services include the annual financial statement audit and other procedures required to be performed by the Independent Auditors to be able to form an opinion on the Fund's financial statements. These other procedures include information systems and procedural

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

reviews and testing performed in order to understand and place reliance on the systems of internal control, and consultations relating to the audit. The Audit Committee will monitor the Audit services engagement as necessary, but no less than on a quarterly basis, and will also approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Fund structure or other items.

In addition to the annual Audit services engagement approved by the Audit Committee, the Audit Committee may grant general pre-approval to other Audit services, which are those services that only the Independent Auditors reasonably can provide. Other Audit services may include statutory audits and services associated with SEC registration statements (on Forms N-1A, N-2, N-3, N-4, etc.), periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings.

The Audit Committee has pre-approved the following Audit services. All other Audit services not listed below must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated):

- Statutory audits or financial audits for the Fund
- Services associated with SEC registration statements (including new funds), periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (e.g., comfort letters for closed-end fund offerings, consents), and assistance in responding to SEC comment letters
- Consultations by the Fund's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard setting bodies (Note: Under SEC rules, some consultations may be "audit related" services rather than "audit" services)

#### 4. AUDIT-RELATED SERVICES

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Fund's financial statements or, to the extent they are Covered Services, the Covered Entities' financial statements, or that are traditionally performed by the Independent Auditors. Because the Audit Committee believes that the provision of Audit-related services does not impair the independence of the auditor and is consistent with the SEC's rules on auditor independence, the Audit Committee may grant general pre-approval to Audit-related services. Audit-related services include, among others, accounting consultations related to accounting, financial reporting or disclosure matters not classified as "Audit services"; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; agreed-upon or expanded audit procedures related to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters; and assistance with internal control reporting requirements under Forms N-SAR and/or N-CSR.

The Audit Committee has pre-approved the following Audit-related services. All other Audit-related services not listed below must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated):

- Attest procedures not required by statute or regulation (including agreed upon procedures related to the Closed-End Fund asset coverage tests required by the rating agencies and/or lenders)
- Due diligence services pertaining to potential fund mergers
- Issuance of SAS-70 reports on internal controls of Morgan Stanley Trust Co. and MSIM Trade Operations



## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

- Consultations by the Fund's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard-setting bodies (Note: Under SEC rules, some consultations may be "audit" services rather than "audit-related" services)
- Information systems reviews not performed in connection with the audit (e.g., application data center and technical reviews)
- General assistance with implementation of the requirements of SEC rules or listing standards promulgated pursuant to the Sarbanes-Oxley Act
- Audit of record keeping services performed by Morgan Stanley Trust Fund related to the New Jersey State Retirement Plan

### 5. TAX SERVICES

The Audit Committee believes that the Independent Auditors can provide Tax services to the Fund and, to the extent they are Covered Services, the Covered Entities, such as tax compliance, tax planning and tax advice without impairing the auditor's independence, and the SEC has stated that the Independent Auditors may provide such services. Hence, the Audit Committee believes it may grant general pre-approval to those Tax services that have historically been provided by the Independent Auditors, that the Audit Committee has reviewed and believes would not impair the independence of the Independent Auditors, and that are consistent with the SEC's rules on auditor independence. The Audit Committee will not permit the retention of the Independent Auditors in connection with a transaction initially recommended by the Independent Auditors, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committee will consult with Director of Tax or outside counsel to determine that the tax planning and reporting positions are consistent with this policy.

Pursuant to the preceding paragraph, the Audit Committee has pre-approved the following Tax Services. All Tax services involving large and complex transactions not listed below must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated), including tax services proposed to be provided by the Independent Auditors to any

executive officer or trustee/director/managing general partner of the Fund, in his or her individual capacity, where such services are paid for by the Fund (generally applicable only to internally managed investment companies):

- U.S. federal, state and local tax planning and advice
- U.S. federal, state and local tax compliance
- International tax planning and advice
- International tax compliance
- Review of federal, state, local and international income, franchise, and other tax returns
- Identification of Passive Foreign Investment Companies
- Review of closed-end funds pro rata allocation of taxable income and capital gains to common and preferred shares.
- Domestic and foreign tax planning, compliance, and advice
- Assistance with tax audits and appeals before the IRS and similar state, local and foreign agencies
- Tax advice and assistance regarding statutory, regulatory or administrative developments (e.g., excise tax reviews, evaluation of Fund's tax compliance function)
- Review the calculations of taxable income from corporate actions including reorganizations related to bankruptcy filings and provide

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

guidance related to the foregoing

### 6. ALL OTHER SERVICES

The Audit Committee believes, based on the SEC's rules prohibiting the Independent Auditors from providing specific non-audit services, that other types of non-audit services are permitted. Accordingly, the Audit Committee believes it may grant general pre-approval to those permissible non-audit services classified as All Other services that it believes are routine and recurring services, would not impair the independence of the auditor and are consistent with the SEC's rules on auditor independence.

The Audit Committee has pre-approved the following All Other services. Permissible All Other services not listed below must be specifically pre-approved by the Audit Committee (or by any member of the Audit Committee to which pre-approval has been delegated):

- Risk management advisory services, e.g., assessment and testing of security infrastructure controls

The following is a list of the SEC's prohibited non-audit services. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions:

- Bookkeeping or other services related to the accounting records or financial statements of the audit client
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit

### 7. PRE-APPROVAL FEE LEVELS OR BUDGETED AMOUNTS

Pre-approval fee levels or budgeted amounts for all services to be provided by the Independent Auditors will be established annually by the Audit Committee. Any proposed services exceeding these

levels or amounts will require specific pre-approval by the Audit Committee. The Audit Committee is mindful of the overall relationship of fees for audit and non-audit services in determining whether to pre-approve any such services. For each fiscal year, the Audit Committee may determine the appropriate ratio between the total amount of fees for Audit, Audit-related, and Tax services for the Fund (including any Audit-related or Tax services fees for Covered Entities subject to pre-approval), and the total amount of fees for certain permissible non-audit services classified as All Other services for the Fund (including any such services for Covered Entities subject to pre-approval).

### 8. PROCEDURES

All requests or applications for services to be provided by the Independent Auditors that do not require specific approval by the Audit Committee will be submitted to the Fund's Chief Financial Officer and must

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

include a detailed description of the services to be rendered. The Fund's Chief Financial Officer will determine whether such services are included within the list of services that have received the general pre-approval of the Audit Committee. The Audit Committee will be informed on a timely basis of any such services rendered by the Independent Auditors. Requests or applications to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the Independent Auditors and the Fund's Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

The Audit Committee has designated the Fund's Chief Financial Officer to monitor the performance of all services provided by the Independent Auditors and to determine whether such services are in compliance with this Policy. The Fund's Chief Financial Officer will report to the Audit Committee on a periodic basis on the results of its monitoring. Both the Fund's Chief Financial Officer and management will immediately report to the chairman of the Audit Committee any breach of this Policy that comes to the attention of the Fund's Chief Financial Officer or any member of management.

### 9. ADDITIONAL REQUIREMENTS

The Audit Committee has determined to take additional measures on an annual basis to meet its responsibility to oversee the work of the Independent Auditors and to assure the auditor's independence from the Fund, such as reviewing a formal written statement from the Independent Auditors delineating all relationships between the Independent Auditors and the Fund, consistent with Independence Standards Board No. 1, and discussing with the Independent Auditors its methods and procedures for ensuring independence.

### 10. COVERED ENTITIES

Covered Entities include the Fund's investment adviser(s) and any entity controlling, controlled by or under common control with the Fund's investment adviser(s) that provides ongoing services to the Fund(s). Beginning with non-audit service contracts entered into on or after May 6, 2003, the Fund's audit committee must pre-approve non-audit services provided not only to the Fund but also to the Covered Entities if the engagements relate directly to the operations and financial reporting of the Fund. This list of Covered Entities would include:

- Van Kampen Investments, Inc.
  - Van Kampen Investment Advisory Corporation
  - Van Kampen Asset Management Inc.
  - Van Kampen Advisors Inc.
  - Van Kampen Funds Inc.
  - Van Kampen Trust Company
- 
- Van Kampen Investor Services Inc.
  - Van Kampen Management Inc.
  - Morgan Stanley Investment Management Inc.
  - Morgan Stanley Investments LP
  - Morgan Stanley Trust Company

(e) (2) Beginning with non-audit service contracts entered into on or after May 6, 2003, the audit committee also is required to pre-approve services to Covered Entities to the extent that the services are determined to have a direct impact

## Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

on the operations or financial reporting of the Registrant. 100% of such services were pre-approved by the audit committee pursuant to the Audit Committee's pre-approval policies and procedures (attached hereto).

(f) Not applicable.

(g) See table above.

(h) The audit committee of the Board of Trustees has considered whether the provision of services other than audit services performed by the auditors to the Registrant and Covered Entities is compatible with maintaining the auditors' independence in performing audit services.

Item 5. Audit Committee of Listed Registrants.

Not applicable.

Item 6. [Reserved.]

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

The Trust invests in exclusively non-voting securities and therefore this item is not applicable to the Trust.

Item 8. Purchase of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Not Applicable.

Item 9. Submission of Matters to a Vote of Security Holders.

Not Applicable.

Item 10. Controls and Procedures

(a) The Trust's principal executive officer and principal financial officer have concluded that the Trust's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Trust in this Form N-CSR was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 11. Exhibits.

(a) The Code of Ethics for Principal Executive and Senior Financial Officers is attached hereto.

(b) (1) A certification for the Principal Executive Officer of the registrant is attached hereto as part of EX-99.CERT.

(b) (2) A certification for the Principal Financial Officer of the registrant is

Edgar Filing: VAN KAMPEN SENIOR INCOME TRUST - Form N-CSR

attached hereto as part of EX-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) Van Kampen Senior Income Trust

By: /s/ Ronald E. Robison  
-----

Name: Ronald E. Robison  
Title: Principal Executive Officer  
Date: September 20, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Ronald E. Robison  
-----

Name: Ronald E. Robison  
Title: Principal Executive Officer  
Date: September 20, 2004

By: /s/ James M. Dykas  
-----

Name: James M. Dykas  
Title: Principal Financial Officer  
Date: September 20, 2004