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VAN KAMPEN BOND FUND
Form N-CSR
August 30, 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 811-02090

Van Kampen Bond Fund

(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: 6/30

Date of reporting period: 6/30/04

Item 1. Reports to Shareholders.

The Fund'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 Bond Fund 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 fund's financial statements and a list of fund investments as of June 30, 2004.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the fund will achieve its investment objective. Funds are subject to market risk, which is the possibility that the market values of securities owned by the fund will decline and that the value of the fund shares may therefore be less than what you paid for them. Accordingly, you can lose money investing in this fund.

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MARKET CONDITIONS

Much has changed in both the bond market and economy since the 12-month period began. Last summer, concerns about deflation and the sluggish economy permeated the market. In an effort to facilitate economic growth, the Federal Reserve Bank's Federal Open Market Committee (the Fed) lowered the federal funds rate to 1.0 percent, its lowest level in 46 years. Shortly thereafter, however, the economic outlook began to brighten and the furor over corporate-governance scandals began to subside, leading investors to believe that the Fed might soon change direction and begin to raise interest rates. As a result, Treasury bond prices fell and yields rose.

By the fall of 2003, it appeared that the Fed was going to bide its time and wait until a stronger economic recovery was ensured before raising interest rates. This change in market perception led to a market correction and a decline in yields. During the second quarter of 2004, investor sentiment shifted once again, leading to a period of rising yields, as one development after another pointed toward a strong economy and eventual interest-rate hike by the Fed. Gross Domestic Product (GDP) showed a healthy 3.9 percent increase, consumer spending remained strong, and manufacturing continued to show a rebound in activity. Finally, on June 30, the Fed raised its target rate to 1.25 percent, the first increase since 2000.

Corporate bonds were in demand at the start of the reporting year, as investors were attracted to their higher yields relative to Treasuries. Going into January, however, corporate bonds' yield advantage had narrowed considerably. The supply of high-grade corporate bonds declined during the reporting year, as improved corporate earnings diminished companies' need to borrow money. Overall, lower quality/high-yield bonds--especially those in the lowest credit-rating tier--outperformed investment-grade debt.

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

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PERFORMANCE ANALYSIS

Closed-end fund returns 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 fund's portfolio securities, cash and other assets, minus all liabilities, by the total number of common shares outstanding, whereas market price reflects the supply and demand for shares. As a result, the two returns may differ significantly, as they did during the reporting period when the fund showed a 3.04 percent gain on an NAV basis, but a 7.44 percent decline on a market-price basis. The fund's return at NAV outperformed its benchmark, the Lehman Brothers BBB Corporate Bond Index. (See table below.)

We implemented various strategies during the reporting period that helped boost the fund's performance. At the beginning of the period, believing that yield spreads over Treasuries were modestly wide, we maintained a large weighting in the BBB-rated credit area. As the reporting period progressed, spreads tightened and we moderately increased the credit quality of the portfolio, which allowed us to capture some price appreciation. In addition, the fund had a below-average duration (or sensitivity to interest rates) throughout the period, which helped buoy performance when interest rates did finally rise.

The fund's positions in the energy, insurance and utilities sectors also added to performance. Energy companies benefited from a stronger economy and firmer pricing, while insurance and utilities appeared undervalued at the start of the reporting period. Fund holdings in Niagara Mohawk Power, Ohio Edison and Pacific Gas & Electric were positive performers, as were Amerada Hess, Conoco and

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Kerr-McGee.

The fund's holdings in higher-quality debt did detract from performance somewhat because they kept the fund from more fully participating in the relative outperformance of lower-quality bonds. In addition, below-average weightings in telecommunications, wireless communications and information technology modestly hindered performance, especially early in the reporting period.

Looking forward, we believe it's likely that the Fed will continue to incrementally raise interest rates. We also anticipate that, after a couple of banner years for the corporate-bond market, finding solid value may prove tougher. However, we believe that given the fund's below-average duration

TOTAL RETURN FOR THE 12-MONTH PERIOD ENDING JUNE 30, 2004

| BASED ON NAV | BASED ON MARKET PRICE | LEHMAN BROTHERS BBB CORPORATE BOND INDEX |
|-----------------|--------------------------|---|
| 3.04% | -7.44% | 1.23% |

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

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positioning and broad diversification across the corporate-bond spectrum, the portfolio should be well positioned to the weather the months ahead.

| TOP 5 SECTORS AS OF 6/30/04 | RATING ALLOCATIONS AS OF 6/30/04 |
|-----------------------------|----------------------------------|
| Electric | 8.9% AAA/Aaa 4.8% |
| Automotive | 7.5 AA/Aa 6.4 |
| Banking | 6.7 A/A 31.3 |
| Healthcare | 5.5 BBB/Baa 48.4 |
| Railroads | 4.3 BB/Ba 7.0 |
| | B/B 2.1 |

Subject to change daily. All percentages are as a percentage of long-term investments. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell securities in the sectors shown above. Securities are classified by sectors that represent broad groupings of related industries. Ratings allocation based upon ratings as issued by Standard and Poor's and Moody's, respectively. 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.

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FOR MORE INFORMATION ABOUT PORTFOLIO HOLDINGS

Each Van Kampen fund provides a complete schedule of portfolio holdings

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in its semiannual and annual reports within 60 days of the end of the fund'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 fund shareholders, and makes these reports available on its public web site, 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 fund files a complete schedule of portfolio holdings with the SEC for the fund'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 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 fund makes portfolio holdings information available by periodically providing the information on its public web site, www.vankampen.com. Each Van Kampen fund 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 fund provides partial lists of its portfolio holdings (such as top 10 or top 15 fund holdings) to the public web site each with a delay of approximately 15 days.

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

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PROXY VOTING POLICIES AND PROCEDURES AND PROXY VOTING RECORD

The fund's policies and procedures with respect to the voting of proxies relating to the fund's portfolio securities and information on how the fund 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. This information is also available on the Securities and Exchange Commission's web site at <http://www.sec.gov>.

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VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004

PAR
AMOUNT
(000)

DESCRIPTION

COUPON

MATURITY

VALUE

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| | | | | |
|--------|---|--------|----------|------------|
| | CORPORATE BONDS 90.8% | | | |
| | AEROSPACE & DEFENSE 1.7% | | | |
| \$ 330 | Lockheed Martin Corp. | 7.700% | 06/15/08 | \$ 372,579 |
| 635 | Lockheed Martin Corp. | 8.500 | 12/01/29 | 798,873 |
| 410 | Northrop Grumman Corp. | 7.125 | 02/15/11 | 461,360 |
| 850 | Raytheon Co. | 4.500 | 11/15/07 | 864,056 |
| 875 | Raytheon Co. | 8.300 | 03/01/10 | 1,027,561 |
| 65 | Raytheon Co. | 4.850 | 01/15/11 | 64,602 |
| | | | | ----- |
| | | | | 3,589,031 |
| | | | | ----- |
| | AIRLINES 0.8% | | | |
| 98 | Continental Airlines, Inc. | 6.648 | 09/15/17 | 91,482 |
| 1,129 | Continental Airlines, Inc. | 6.900 | 01/02/18 | 1,061,273 |
| 528 | Continental Airlines, Inc. | 6.545 | 02/02/19 | 494,041 |
| | | | | ----- |
| | | | | 1,646,796 |
| | | | | ----- |
| | AUTOMOTIVE 7.0% | | | |
| 330 | AutoNation, Inc. | 9.000 | 08/01/08 | 374,550 |
| 1,445 | DaimlerChrysler North America Holding Corp. | 7.300 | 01/15/12 | 1,579,457 |
| 1,280 | DaimlerChrysler North America Holding Corp. | 8.500 | 01/18/31 | 1,474,830 |
| 420 | Ford Motor Co. | 7.450 | 07/16/31 | 401,479 |
| 3,795 | Ford Motor Credit Co. | 7.250 | 10/25/11 | 3,968,690 |
| 640 | General Motors Acceptance Corp. | 4.500 | 07/15/06 | 647,137 |
| 3,770 | General Motors Acceptance Corp. | 6.875 | 09/15/11 | 3,870,817 |
| 2,865 | General Motors Acceptance Corp. | 8.000 | 11/01/31 | 2,943,687 |
| | | | | ----- |
| | | | | 15,260,647 |
| | | | | ----- |
| | BANKING 6.3% | | | |
| 2,230 | Bank of America Corp. | 3.375 | 02/17/09 | 2,144,069 |
| 545 | Citigroup, Inc. | 6.000 | 02/21/12 | 578,728 |
| 2,110 | Citigroup, Inc. | 5.625 | 08/27/12 | 2,172,418 |
| 75 | Citigroup, Inc. | 6.625 | 06/15/32 | 77,929 |
| 3,340 | J.P. Morgan Chase & Co. | 6.750 | 02/01/11 | 3,645,142 |
| 400 | MBNA America Bank NA..... | 7.125 | 11/15/12 | 441,781 |
| 1,720 | MBNA Corp. | 6.125 | 03/01/13 | 1,779,319 |
| 1,350 | Wachovia Corp. | 3.625 | 02/17/09 | 1,310,801 |
| 925 | Washington Mutual Bank FA..... | 5.500 | 01/15/13 | 925,919 |
| 525 | Washington Mutual, Inc. | 8.250 | 04/01/10 | 612,023 |
| | | | | ----- |
| | | | | 13,688,129 |
| | | | | ----- |
| | BROKERAGE 2.7% | | | |
| 1,670 | Goldman Sachs Group, Inc. | 6.875 | 01/15/11 | 1,835,706 |
| 185 | Goldman Sachs Group, Inc. | 5.250 | 10/15/13 | 179,957 |
| 2,000 | Lehman Brothers Holdings, Inc. | 8.500 | 05/01/07 | 2,259,662 |
| 982 | World Financial Prop., 144A-Private Placement (a)..... | 6.910 | 09/01/13 | 1,068,084 |
| 446 | World Financial Prop., 144A-Private Placement (a)..... | 6.950 | 09/01/13 | 486,562 |
| | | | | ----- |
| | | | | 5,829,971 |
| | | | | ----- |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|------------------------|---|---------|----------|-----------|
| | CHEMICALS 0.3% | | | |
| \$ 60 | FMC Corp. | 10.250% | 11/01/09 | \$ 69,300 |
| 640 | ICI Wilmington, Inc. | 4.375 | 12/01/08 | 628,424 |
| | | | | ----- |
| | | | | 697,724 |
| | CONSTRUCTION MACHINERY 0.6% | | | |
| 1,320 | Kennametal, Inc. | 7.200 | 06/15/12 | 1,398,172 |
| | | | | ----- |
| | CONSUMER PRODUCTS 0.6% | | | |
| 1,305 | Xerox Corp. | 7.125 | 06/15/10 | 1,337,625 |
| | | | | ----- |
| | DIVERSIFIED MANUFACTURING 2.5% | | | |
| 1,275 | Cooper Industries, Inc. | 5.250 | 07/01/07 | 1,330,552 |
| 2,445 | Honeywell International, Inc. | 6.125 | 11/01/11 | 2,627,145 |
| 705 | Hutchison Whampoa International Ltd., 144A-Private Placement (Cayman Islands) (a)..... | 5.450 | 11/24/10 | 693,083 |
| 850 | Hutchison Whampoa International Ltd., 144A-Private Placement (Cayman Islands) (a)..... | 6.500 | 02/13/13 | 852,312 |
| | | | | ----- |
| | | | | 5,503,092 |
| | ELECTRIC 7.8% | | | |
| 725 | Appalachian Power Co., Ser H..... | 5.950 | 05/15/33 | 670,704 |
| 790 | Arizona Public Service Co. | 5.800 | 06/30/14 | 792,244 |
| 370 | CenterPoint Energy..... | 7.750 | 02/15/11 | 411,636 |
| 625 | Cincinnati Gas & Electric Co. | 5.700 | 09/15/12 | 640,050 |
| 425 | Cincinnati Gas & Electric Co., Ser A..... | 5.400 | 06/15/33 | 368,850 |
| 375 | Cincinnati Gas & Electric Co., Ser B..... | 5.375 | 06/15/33 | 324,229 |
| 820 | Columbus Southern Power Co., Ser B..... | 6.600 | 03/01/33 | 838,161 |
| 865 | Detroit Edison Co. | 6.125 | 10/01/10 | 923,040 |
| 960 | Duquesne Light Co. | 6.700 | 04/15/12 | 1,049,621 |
| 540 | Entergy Gulf States, Inc. | 3.600 | 06/01/08 | 521,492 |
| 1,660 | Exelon Corp. | 6.750 | 05/01/11 | 1,807,772 |
| 885 | FirstEnergy Corp., Ser B..... | 6.450 | 11/15/11 | 918,871 |
| 255 | Indianapolis Power & Light Co., 144A-Private Placement (a)..... | 6.300 | 07/01/13 | 262,176 |
| 545 | Monongahela Power Co. | 5.000 | 10/01/06 | 559,180 |
| 1,323 | Niagara Mohawk Power Corp., Ser F..... | 7.625 | 10/01/05 | 1,389,471 |
| 685 | NiSource Finance Corp. | 7.625 | 11/15/05 | 726,884 |
| 180 | Ohio Power Co., Ser E..... | 6.600 | 02/15/33 | 184,466 |
| 1,215 | Pacific Gas & Electric Co. | 6.050 | 03/01/34 | 1,146,570 |
| 180 | PSEG Energy Holdings, Inc. | 7.750 | 04/16/07 | 189,450 |
| 650 | PSEG Energy Holdings, Inc. | 8.625 | 02/15/08 | 702,000 |
| 195 | Southern CA Edison..... | 5.000 | 01/15/14 | 190,069 |
| 365 | Texas-New Mexico Power Co. | 6.250 | 01/15/09 | 366,629 |
| 255 | TXU Corp., Ser J..... | 6.375 | 06/15/06 | 269,826 |
| 805 | TXU Energy Co. | 7.000 | 03/15/13 | 878,046 |

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See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|-----------------------------|--|--------|----------|------------|
| ELECTRIC (CONTINUED) | | | | |
| \$ 770 | Westar Energy, Inc. | 6.000% | 07/01/14 | \$ 783,761 |
| 65 | Wisconsin Electric Power..... | 5.625 | 05/15/33 | 60,919 |
| | | | | ----- |
| | | | | 16,976,117 |
| | | | | ----- |
| ENTERTAINMENT 1.3% | | | | |
| 930 | AOL Time Warner, Inc. | 6.875 | 05/01/12 | 1,006,481 |
| 590 | AOL Time Warner, Inc. | 7.700 | 05/01/32 | 646,471 |
| 180 | Park Place Entertainment Corp. | 7.500 | 09/01/09 | 190,350 |
| 270 | Time Warner, Inc. | 6.625 | 05/15/29 | 262,795 |
| 660 | Time Warner, Inc. | 7.625 | 04/15/31 | 716,341 |
| | | | | ----- |
| | | | | 2,822,438 |
| | | | | ----- |
| ENVIRONMENTAL SERVICES 2.1% | | | | |
| 245 | Allied Waste North America, Inc., 144A-Private Placement (a)..... | 6.500 | 11/15/10 | 243,775 |
| 365 | Allied Waste North America, Inc., Ser B..... | 8.500 | 12/01/08 | 401,044 |
| 830 | Republic Services, Inc. | 6.750 | 08/15/11 | 909,281 |
| 1,500 | Waste Management, Inc. | 7.000 | 10/15/06 | 1,612,605 |
| 550 | Waste Management, Inc. | 7.375 | 08/01/10 | 618,707 |
| 790 | Waste Management, Inc. | 7.000 | 07/15/28 | 822,437 |
| | | | | ----- |
| | | | | 4,607,849 |
| | | | | ----- |
| FOOD/BEVERAGE 3.3% | | | | |
| 2,000 | ConAgra Foods, Inc. | 7.500 | 09/15/05 | 2,104,562 |
| 2,025 | Kraft Foods, Inc. | 5.625 | 11/01/11 | 2,063,088 |
| 500 | Kraft Foods, Inc. | 6.250 | 06/01/12 | 527,316 |
| 1,420 | Smithfield Foods, Inc. | 8.000 | 10/15/09 | 1,537,150 |
| 105 | Smithfield Foods, Inc. | 7.750 | 05/15/13 | 110,775 |
| 710 | YUM! Brands, Inc. | 8.875 | 04/15/11 | 857,903 |
| | | | | ----- |
| | | | | 7,200,794 |
| | | | | ----- |
| GAMING 2.0% | | | | |
| 680 | Harrahs Operating Co., Inc., 144A-Private Placement (a)..... | 5.500 | 07/01/10 | 684,268 |
| 1,495 | Harrahs Operating Co., Inc. | 8.000 | 02/01/11 | 1,689,807 |
| 1,175 | MGM Mirage, Inc. | 8.500 | 09/15/10 | 1,274,875 |
| 645 | Station Casinos, Inc. | 6.000 | 04/01/12 | 627,262 |
| | | | | ----- |
| | | | | 4,276,212 |
| | | | | ----- |
| HEALTHCARE 5.1% | | | | |
| 3,205 | Aetna, Inc. | 7.375 | 03/01/06 | 3,417,363 |

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| | | | | |
|-------|-------------------------------|-------|----------|------------|
| 640 | AmerisourceBergen Corp. | 8.125 | 09/01/08 | 692,800 |
| 1,275 | HCA, Inc. | 6.910 | 06/15/05 | 1,313,094 |
| 800 | HCA, Inc. | 6.300 | 10/01/12 | 801,683 |
| 285 | HCA, Inc. | 7.190 | 11/15/15 | 296,524 |
| 1,835 | Health Net, Inc. | 8.375 | 04/15/11 | 2,148,271 |
| 620 | Tenet Healthcare Corp. | 7.375 | 02/01/13 | 564,200 |
| 915 | Tenet Healthcare Corp. | 6.875 | 11/15/31 | 722,850 |
| 1,130 | UnitedHealth Group, Inc. | 5.200 | 01/17/07 | 1,176,327 |
| | | | | ----- |
| | | | | 11,133,112 |
| | | | | ----- |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|------------------------|---|--------|----------|------------|
| | HOME CONSTRUCTION 0.3% | | | |
| \$ 605 | D.R. Horton, Inc. | 6.875% | 05/01/13 | \$ 620,125 |
| | | | | ----- |
| | INDEPENDENT ENERGY 1.0% | | | |
| 285 | Kerr-McGee Corp. | 5.875 | 09/15/06 | 298,118 |
| 470 | Kerr-McGee Corp. | 6.625 | 10/15/07 | 505,158 |
| 490 | Kerr-McGee Corp. | 6.875 | 09/15/11 | 527,873 |
| 825 | Kerr-McGee Corp. | 7.875 | 09/15/31 | 912,653 |
| | | | | ----- |
| | | | | 2,243,802 |
| | | | | ----- |
| | INTEGRATED ENERGY 4.0% | | | |
| 1,625 | Amerada Hess Corp. | 7.875 | 10/01/29 | 1,760,502 |
| 720 | Conoco Funding Co. (Canada)..... | 6.350 | 10/15/11 | 784,552 |
| 2,290 | Conoco, Inc. | 6.950 | 04/15/29 | 2,528,962 |
| 625 | Constellation Energy Group..... | 7.600 | 04/01/32 | 692,051 |
| 230 | Consumers Energy Co., Ser D..... | 5.375 | 04/15/13 | 225,619 |
| 790 | Consumers Energy Co., Ser F..... | 4.000 | 05/15/10 | 748,882 |
| 190 | Consumers Energy Co., Ser H..... | 4.800 | 02/17/09 | 190,349 |
| 670 | Marathon Oil Corp. | 5.375 | 06/01/07 | 700,287 |
| 685 | Marathon Oil Corp. | 6.800 | 03/15/32 | 712,501 |
| 270 | Transcontinental Gas Pipe Line Corp. | 8.875 | 07/15/12 | 306,450 |
| | | | | ----- |
| | | | | 8,650,155 |
| | | | | ----- |
| | LIFE INSURANCE 2.8% | | | |
| 2,195 | Anthem Insurance Cos., Inc., 144A-Private Placement (a)..... | 9.125 | 04/01/10 | 2,695,383 |
| 475 | John Hancock Financial Services, Inc. | 5.625 | 12/01/08 | 499,880 |
| 105 | Metlife, Inc. | 6.125 | 12/01/11 | 112,887 |
| 585 | Nationwide Financial Services, Inc. | 6.250 | 11/15/11 | 624,957 |
| 1,070 | Prudential Holdings, LLC, 144A-Private Placement (a)..... | 7.245 | 12/18/23 | 1,216,153 |
| 820 | Prudential Holdings, LLC, 144A-Private Placement | | | |

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| | | | | |
|-------|--|-------|----------|-----------|
| | (a)..... | 8.695 | 12/18/23 | 986,904 |
| | | | | ----- |
| | | | | 6,136,164 |
| | | | | ----- |
| | LODGING 2.8% | | | |
| 1,555 | Hilton Hotels Corp. | 7.625 | 12/01/12 | 1,679,400 |
| 1,325 | Hyatt Equities LLC, 144A-Private Placement | | | |
| | (a)..... | 6.875 | 06/15/07 | 1,409,648 |
| 610 | Marriott International..... | 8.125 | 04/01/05 | 634,110 |
| 375 | Marriott International..... | 7.000 | 01/15/08 | 408,772 |
| 400 | Starwood Hotels & Resorts Worldwide, Inc. | 7.375 | 05/01/07 | 423,000 |
| 1,375 | Starwood Hotels & Resorts Worldwide, Inc. | 7.875 | 05/01/12 | 1,478,125 |
| | | | | ----- |
| | | | | 6,033,055 |
| | | | | ----- |
| | MEDIA-CABLE 1.6% | | | |
| 490 | Comcast Cable Communications, Inc. | 8.375 | 05/01/07 | 547,980 |
| 1,785 | Comcast Cable Communications, Inc. | 6.750 | 01/30/11 | 1,928,728 |
| 90 | Comcast Cable Communications, Inc. | 7.125 | 06/15/13 | 98,540 |
| 845 | Echostar DBS Corp. | 6.375 | 10/01/11 | 836,550 |
| | | | | ----- |
| | | | | 3,411,798 |
| | | | | ----- |

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See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|------------------------|--|--------|----------|--------------|
| | MEDIA-NONCABLE 3.0% | | | |
| \$2,500 | Clear Channel Communications, Inc. | 7.250% | 10/15/27 | \$ 2,676,303 |
| 390 | Nevada Power Co. | 9.000 | 08/15/13 | 426,075 |
| 2,800 | News America Holdings, Inc. | 8.875 | 04/26/23 | 3,506,838 |
| | | | | ----- |
| | | | | 6,609,216 |
| | | | | ----- |
| | NATURAL GAS PIPELINES 1.6% | | | |
| 285 | Consolidated Natural Gas Co., Ser A..... | 5.000 | 03/01/14 | 273,551 |
| 960 | Consolidated Natural Gas Co., Ser C..... | 6.250 | 11/01/11 | 1,022,913 |
| 464 | Gulfterra Energy Partners LP, Ser B..... | 8.500 | 06/01/10 | 506,920 |
| 670 | Gulfterra Energy Partners LP, Ser B..... | 6.250 | 06/01/10 | 680,050 |
| 210 | Northwest Pipeline Corp. | 8.125 | 03/01/10 | 227,325 |
| 675 | Texas Eastern Transmission Corp. | 7.000 | 07/15/32 | 707,927 |
| | | | | ----- |
| | | | | 3,418,686 |
| | | | | ----- |
| | NONCAPTIVE-CONSUMER FINANCE 3.7% | | | |
| 2,000 | American General Finance Corp. | 4.625 | 09/01/10 | 1,977,592 |
| 2,245 | Countrywide Home Loans, Inc. | 3.250 | 05/21/08 | 2,161,515 |
| 1,000 | Household Finance Corp. | 7.875 | 03/01/07 | 1,105,520 |
| 150 | Household Finance Corp. | 8.000 | 07/15/10 | 174,271 |
| 1,555 | Household Finance Corp. | 6.750 | 05/15/11 | 1,701,657 |

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| | | | | |
|-------|--|-------|----------|-----------|
| 1,060 | SLM Corp. | 5.000 | 10/01/13 | 1,025,458 |
| | | | | ----- |
| | | | | 8,146,013 |
| | | | | ----- |
| | NONCAPTIVE-DIVERSIFIED FINANCE 3.0% | | | |
| 415 | CIT Group, Inc. | 7.375 | 04/02/07 | 454,309 |
| 415 | General Electric Capital Corp. | 6.750 | 03/15/32 | 447,581 |
| 2,000 | Heller Financial, Inc. | 6.375 | 03/15/06 | 2,116,162 |
| 2,500 | International Lease Finance Corp. | 8.375 | 12/15/04 | 2,571,620 |
| 935 | Newcourt Credit Group, Inc., Ser B (Canada)..... | 6.875 | 02/16/05 | 961,336 |
| | | | | ----- |
| | | | | 6,551,008 |
| | | | | ----- |
| | OIL FIELD SERVICES 0.1% | | | |
| 280 | Panhandle Eastern Pipe Line Co., Ser B..... | 2.750 | 03/15/07 | 268,885 |
| | | | | ----- |
| | PACKAGING 0.7% | | | |
| 630 | Packaging Corp. of America..... | 5.750 | 08/01/13 | 625,802 |
| 960 | Sealed Air Corp., 144A-Private Placement (a).... | 5.625 | 07/15/13 | 949,963 |
| | | | | ----- |
| | | | | 1,575,765 |
| | | | | ----- |
| | PAPER 2.1% | | | |
| 905 | International Paper Co. | 4.250 | 01/15/09 | 890,547 |
| 505 | Owens-Brockway Glass Containers, Inc. | 7.750 | 05/15/11 | 527,725 |
| 405 | Owens-Brockway Glass Containers, Inc. | 8.750 | 11/15/12 | 441,450 |
| 455 | Weyerhaeuser Co. | 6.000 | 08/01/06 | 478,944 |
| 1,980 | Weyerhaeuser Co. | 6.750 | 03/15/12 | 2,147,484 |
| | | | | ----- |
| | | | | 4,486,150 |
| | | | | ----- |
| | PHARMACEUTICALS 0.3% | | | |
| 550 | Schering-Plough Corp. | 5.300 | 12/01/13 | 541,106 |
| | | | | ----- |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|------------------------|--|--------|----------|------------|
| | PROPERTY & CASUALTY 2.9% | | | |
| \$ 570 | AIG Sunamerica Global Financial, 144A-Private Placement (a)..... | 6.300% | 05/10/11 | \$ 613,102 |
| 1,545 | Farmers Exchange Capital, 144A-Private Placement (a)..... | 7.050 | 07/15/28 | 1,487,001 |
| 1,565 | Farmers Insurance Exchange Surplus, 144A-Private Placement (a)..... | 8.625 | 05/01/24 | 1,757,312 |
| 125 | Hartford Financial Services Group..... | 2.375 | 06/01/06 | 123,029 |
| 1,800 | Mantis Reef Ltd., 144A-Private Placement (Australia) (a)..... | 4.692 | 11/14/08 | 1,779,541 |
| 440 | Nationwide Mutual Insurance Co., 144A-Private | | | |

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| | | | | |
|-------|------------------------------------|-------|----------|-----------|
| | Placement (a) | 8.250 | 12/01/31 | 520,315 |
| | | | | ----- |
| | | | | 6,280,300 |
| | | | | ----- |
| | RAILROADS 4.0% | | | |
| 1,000 | CSX Corp. | 6.750 | 03/15/11 | 1,086,137 |
| 7,000 | Union Pacific Corp. | 8.350 | 05/01/25 | 7,601,244 |
| | | | | ----- |
| | | | | 8,687,381 |
| | | | | ----- |
| | REAL ESTATE INVESTMENT TRUSTS 1.0% | | | |
| 250 | EOP Operating LP | 4.750 | 03/15/14 | 230,766 |
| 278 | Istar Financial, Inc. | 8.750 | 08/15/08 | 308,865 |
| 850 | Reckson Operating Partnership LP | 5.150 | 01/15/11 | 824,495 |
| 570 | Rouse Co. | 3.625 | 03/15/09 | 542,097 |
| 245 | Rouse Co. | 5.375 | 11/26/13 | 237,096 |
| | | | | ----- |
| | | | | 2,143,319 |
| | | | | ----- |
| | REFINING 0.3% | | | |
| 430 | Ashland, Inc. | 7.830 | 08/15/05 | 450,441 |
| 250 | Vintage Petroleum, Inc. | 7.875 | 05/15/11 | 257,500 |
| | | | | ----- |
| | | | | 707,941 |
| | | | | ----- |
| | RETAIL 3.5% | | | |
| 250 | CVS Corp. | 5.625 | 03/15/06 | 260,731 |
| 270 | CVS Corp. | 3.875 | 11/01/07 | 270,420 |
| 1,500 | Federated Department Stores, Inc. | 6.625 | 09/01/08 | 1,624,419 |
| 500 | Federated Department Stores, Inc. | 6.300 | 04/01/09 | 535,872 |
| 490 | Lowe's Cos., Inc. | 6.875 | 02/15/28 | 537,544 |
| 700 | Lowe's Cos., Inc. | 6.500 | 03/15/29 | 736,793 |
| 1,275 | May Department Stores Co. | 5.950 | 11/01/08 | 1,338,319 |
| 700 | May Department Stores Co. | 6.700 | 09/15/28 | 697,656 |
| 430 | May Department Stores Co. | 7.875 | 03/01/30 | 490,767 |
| 75 | May Department Stores Co. | 6.900 | 01/15/32 | 77,155 |
| 175 | Toys "R" Us, Inc. | 7.875 | 04/15/13 | 176,531 |
| 895 | Toys "R" Us, Inc. | 7.375 | 10/15/18 | 831,231 |
| | | | | ----- |
| | | | | 7,577,438 |
| | | | | ----- |
| | SERVICES 0.4% | | | |
| 562 | Iron Mountain, Inc. | 7.750 | 01/15/15 | 560,595 |
| 295 | Iron Mountain, Inc. | 6.625 | 01/01/16 | 269,925 |
| | | | | ----- |
| | | | | 830,520 |
| | | | | ----- |

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See Notes to Financial Statements

VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| PAR AMOUNT (000) | DESCRIPTION | COUPON | MATURITY | VALUE |
|------------------------|-------------|--------|----------|-------|
| ----- | | | | |

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| | | | | |
|--------|---|--------|----------|-------------|
| | SUPERMARKETS 1.1% | | | |
| \$ 770 | Albertson's, Inc. | 7.500% | 02/15/11 | \$ 868,857 |
| 1,285 | Kroger Co. | 7.500 | 04/01/31 | 1,426,545 |
| | | | | ----- |
| | | | | 2,295,402 |
| | | | | ----- |
| | TECHNOLOGY 0.7% | | | |
| 195 | Avnet, Inc. | 9.750 | 02/15/08 | 222,300 |
| 465 | Electronic Data Systems Corp. | 7.125 | 10/15/09 | 487,144 |
| 780 | Electronic Data Systems Corp., Ser B..... | 6.000 | 08/01/13 | 746,245 |
| | | | | ----- |
| | | | | 1,455,689 |
| | | | | ----- |
| | TEXTILE 0.4% | | | |
| 810 | Mohawk Industries, Inc. | 7.200 | 04/15/12 | 900,098 |
| | | | | ----- |
| | TOBACCO 0.8% | | | |
| 850 | Altria Group, Inc. | 7.000 | 11/04/13 | 867,048 |
| 890 | Altria Group, Inc. | 7.750 | 01/15/27 | 912,433 |
| | | | | ----- |
| | | | | 1,779,481 |
| | | | | ----- |
| | TRANSPORTATION SERVICES 0.4% | | | |
| 1,000 | FedEx Corp., 144A-Private Placement (a)..... | 2.650 | 04/01/07 | 971,725 |
| | | | | ----- |
| | WIRELESS COMMUNICATIONS 0.4% | | | |
| 745 | AT&T Wireless Services, Inc. | 7.875 | 03/01/11 | 848,525 |
| | | | | ----- |
| | WIRELINE COMMUNICATIONS 3.8% | | | |
| 140 | AT&T Corp. | 8.050 | 11/15/11 | 143,940 |
| 1,765 | AT&T Corp. | 8.750 | 11/15/31 | 1,727,227 |
| 1,105 | Sprint Capital Corp. | 8.750 | 03/15/32 | 1,291,326 |
| 2,935 | Verizon Communications, Inc. | 6.940 | 04/15/28 | 3,004,017 |
| 1,360 | Verizon Global Funding Corp. | 7.750 | 12/01/30 | 1,532,098 |
| 590 | Verizon New England, Inc. | 6.500 | 09/15/11 | 629,572 |
| | | | | ----- |
| | | | | 8,328,180 |
| | | | | ----- |
| | TOTAL CORPORATE BONDS 90.8%..... | | | 197,465,636 |
| | | | | ----- |
| | CONVERTIBLE CORPORATE OBLIGATION 0.6% | | | |
| | ELECTRIC 0.6% | | | |
| 1,240 | Ohio Edison Co. | 5.450 | 05/01/15 | 1,182,194 |
| | | | | ----- |
| | U.S. GOVERNMENT AGENCY OBLIGATIONS 2.5% | | | |
| 8,750 | United States Treasury Bonds (STRIP | | | |
| | PRINCIPAL)..... | * | 02/15/25 | 2,751,184 |
| 9,000 | United States Treasury Notes (STRIPS)..... | * | 05/15/25 | 2,773,440 |
| | | | | ----- |
| | TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS..... | | | 5,524,624 |
| | | | | ----- |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

PORTFOLIO OF INVESTMENTS -- JUNE 30, 2004 continued

| DESCRIPTION | VALUE |
|---|---------------|
| TOTAL LONG-TERM INVESTMENTS 93.9% | |
| (Cost \$198,130,162)..... | \$204,172,454 |
| SHORT-TERM INVESTMENTS 5.5% | |
| REPURCHASE AGREEMENT 5.1% | |
| UBS Securities (\$11,202,000 par collateralized by U.S. Government obligations in a pooled cash account, interest rate of 1.25%, dated 06/30/04, to be sold on 07/01/04 at \$11,202,389)..... | 11,202,000 |
| U.S. GOVERNMENT AGENCY OBLIGATIONS 0.4% | |
| United States Treasury Bills (\$250,000 par, yielding 1.163%, 07/15/04 maturity) (b)..... | 249,887 |
| United States Treasury Bills (\$600,000 par, yielding 1.285%, 09/23/04 maturity) (b)..... | 598,206 |
| TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS 0.4%..... | 848,093 |
| TOTAL SHORT-TERM INVESTMENTS | |
| (Cost \$12,050,536)..... | 12,050,093 |
| TOTAL INVESTMENTS 99.4% | |
| (Cost \$210,180,698)..... | 216,222,547 |
| OTHER ASSETS IN EXCESS OF LIABILITIES 0.6%..... | 1,330,415 |
| NET ASSETS 100.0%..... | \$217,552,962 |

Percentages are calculated as a percentage of net assets.

* Zero coupon bond

(a) 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 those transactions with qualified institutional buyers.

(b) Assets segregated as collateral for open futures transactions.

STRIPS--Separate Trading of Registered Interest and Principal of Securities

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See Notes to Financial Statements

VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS

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Statement of Assets and Liabilities
June 30, 2004

| | |
|--|---------------|
| ASSETS: | |
| Total Investments (Cost \$210,180,698)..... | \$216,222,547 |
| Cash..... | 489 |
| Receivables: | |
| Interest..... | 3,125,327 |
| Investments Sold..... | 112,253 |
| Other..... | 41,412 |
| | ----- |
| Total Assets..... | 219,502,028 |
| | ----- |
| LIABILITIES: | |
| Payables: | |
| Investments Purchased..... | 1,219,723 |
| Variation Margin on Futures..... | 207,781 |
| Income Distributions..... | 158,448 |
| Investment Advisory Fee..... | 86,393 |
| Other Affiliates..... | 5,589 |
| Trustees' Deferred Compensation and Retirement Plans..... | 169,033 |
| Accrued Expenses..... | 102,099 |
| | ----- |
| Total Liabilities..... | 1,949,066 |
| | ----- |
| NET ASSETS..... | \$217,552,962 |
| | ===== |
| NET ASSET VALUE PER COMMON SHARE (\$217,552,962 divided by 11,362,465 shares outstanding)..... | \$ 19.15 |
| | ===== |
| NET ASSETS CONSIST OF: | |
| Common Shares (\$1.00 par value with 15,000,000 shares authorized, 11,362,465 shares issued and outstanding)..... | \$ 11,362,465 |
| Paid in Surplus..... | 207,602,030 |
| Net Unrealized Appreciation..... | 5,653,917 |
| Accumulated Undistributed Net Investment Income..... | (1,097,551) |
| Accumulated Net Realized Loss..... | (5,967,899) |
| | ----- |
| NET ASSETS..... | \$217,552,962 |
| | ===== |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS continued

Statement of Operations
For the Year Ended June 30, 2004

| | |
|---------------------------|---------------|
| INVESTMENT INCOME: | |
| Interest..... | \$ 13,114,149 |
| Other..... | 3,375 |
| | ----- |
| Total Income..... | 13,117,524 |
| | ----- |

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| | |
|--|----------------|
| EXPENSES: | |
| Investment Advisory Fee..... | 1,077,464 |
| Shareholder Services..... | 75,776 |
| Shareholder Reports..... | 74,948 |
| Trustees' Fees and Related Expenses..... | 70,311 |
| Custody..... | 26,890 |
| Legal..... | 13,138 |
| Other..... | 108,154 |
| | ----- |
| Total Expenses..... | 1,446,681 |
| Less Credits Earned on Cash Balances..... | 76 |
| | ----- |
| Net Expenses..... | 1,446,605 |
| | ----- |
| NET INVESTMENT INCOME..... | \$ 11,670,919 |
| | ===== |
| REALIZED AND UNREALIZED GAIN/LOSS: | |
| Realized Gain/Loss: | |
| Investments..... | \$ 4,584,194 |
| Futures..... | 3,128,809 |
| | ----- |
| Net Realized Gain..... | 7,713,003 |
| | ----- |
| Unrealized Appreciation/Depreciation: | |
| Beginning of the Period..... | 19,458,599 |
| | ----- |
| End of the Period: | |
| Investments..... | 6,041,849 |
| Futures..... | (387,932) |
| | ----- |
| | 5,653,917 |
| | ----- |
| Net Unrealized Depreciation During the Period..... | (13,804,682) |
| | ----- |
| NET REALIZED AND UNREALIZED LOSS..... | \$ (6,091,679) |
| | ===== |
| NET INCREASE IN NET ASSETS FROM OPERATIONS..... | \$ 5,579,240 |
| | ===== |

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See Notes to Financial Statements

VAN KAMPEN BOND FUND

FINANCIAL STATEMENTS continued

Statements of Changes in Net Assets

| | FOR THE YEAR ENDED JUNE 30, 2004 | FOR THE YEAR ENDED JUNE 30, 2003 |
|--|--|--|
| | ----- | ----- |
| FROM INVESTMENT ACTIVITIES: | | |
| Operations: | | |
| Net Investment Income..... | \$ 11,670,919 | \$ 12,525,760 |
| Net Realized Gain/Loss..... | 7,713,003 | (6,299,069) |
| Net Unrealized Appreciation/Depreciation During the Period..... | (13,804,682) | 18,842,963 |

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| | | |
|---|---------------|---------------|
| Change in Net Assets from Operations..... | 5,579,240 | 25,069,654 |
| Distributions from Net Investment Income..... | (12,726,925) | (13,747,783) |
| NET CHANGE IN NET ASSETS FROM INVESTMENT ACTIVITIES..... | (7,147,685) | 11,321,871 |
| NET ASSETS: | | |
| Beginning of the Period..... | 224,700,647 | 213,378,776 |
| End of the Period (Including accumulated undistributed net investment income of \$(1,097,551) and \$(276,131), respectively)..... | \$217,552,962 | \$224,700,647 |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

FINANCIAL HIGHLIGHTS

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

| | 2004 | 2003 | 2002 (a) |
|---|---------|---------|----------|
| NET ASSET VALUE, BEGINNING OF THE PERIOD..... | \$19.78 | \$18.78 | \$19.41 |
| Net Investment Income..... | 1.03 | 1.10 | 1.26 |
| Net Realized and Unrealized Gain/Loss..... | (.54) | 1.11 | (.56) |
| Total from Investment Operations..... | .49 | 2.21 | .70 |
| Less Distributions from Net Investment Income..... | 1.12 | 1.21 | 1.33 |
| NET ASSET VALUE, END OF THE PERIOD..... | \$19.15 | \$19.78 | \$18.78 |
| Common Share Market Price at End of the Period..... | \$17.02 | \$19.57 | \$18.50 |
| Total Return (b)..... | -7.44% | 12.67% | 3.50% |
| Net Assets at End of the Period (In millions)..... | \$217.6 | \$224.7 | \$213.4 |
| Ratio of Operating Expenses to Average Net Assets..... | .65% | .65% | .65% |
| Ratio of Convertible Note Expenses to Average Net Assets (c)..... | -- | -- | -- |
| Ratio of Net Investment Income to Average Net Assets..... | 5.24% | 5.79% | 6.39% |
| Portfolio Turnover..... | 41% | 57% | 107% |

(a) As required, effective July 1, 2001, the Fund 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 June 30, 2002 was to decrease net investment income per share by \$.04, increase net realized and unrealized gains and losses per share by \$.04 and decrease the ratio of net investment income to average net assets by .24%. Per share, ratios and supplemental data for periods prior to June 30, 2002 have not been restated to reflect this change in presentation.

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- (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 Fund's dividend reinvestment plan, and sale of all shares at the closing common share market price at the end of the period indicated.
- (c) On January 3, 1995, the Fund paid off its outstanding convertible extendible note.

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YEAR ENDED JUNE 30,

| 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 |
|---------|---------|----------|-----------|---------|----------|----------|
| \$18.70 | \$19.59 | \$ 21.16 | \$ 20.26 | \$19.97 | \$ 20.41 | \$ 19.07 |
| 1.40 | 1.43 | 1.41 | 1.48 | 1.56 | 1.54 | 1.52 |
| .68 | (.93) | (1.56) | .93 | .27 | (.44) | 1.36 |
| 2.08 | .50 | (.15) | 2.41 | 1.83 | 1.10 | 2.88 |
| 1.37 | 1.39 | 1.42 | 1.51 | 1.54 | 1.54 | 1.54 |
| \$19.41 | \$18.70 | \$ 19.59 | \$ 21.16 | \$20.26 | \$ 19.97 | \$ 20.41 |
| \$19.15 | \$16.75 | \$17.875 | \$19.6875 | \$19.25 | \$18.125 | \$19.125 |
| 23.10% | 1.88% | -2.45% | 10.08% | 15.06% | 2.61% | 14.89% |
| \$220.5 | \$212.4 | \$ 222.6 | \$ 240.4 | \$230.2 | \$ 226.9 | \$ 231.9 |
| .68% | .64% | .66% | .65% | .68% | .67% | .68% |
| -- | -- | -- | -- | -- | -- | .39% |
| 7.25% | 7.48% | 6.79% | 7.04% | 7.70% | 7.47% | 7.92% |
| 88% | 71% | 10% | 27% | 8% | 11% | 8% |

See Notes to Financial Statements

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VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2004

1. SIGNIFICANT ACCOUNTING POLICIES

Van Kampen Bond Fund (the "Fund") is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940 (the "1940 Act"), as amended. The Fund's investment objective is to seek interest income while conserving capital through investing in a diversified portfolio consisting primarily of high-quality debt securities.

The following is a summary of significant accounting policies consistently followed by the Fund 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

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during the reporting period. Actual results could differ from those estimates.

A. SECURITY VALUATION Fixed income investments are stated at value using market quotations or indications of value obtained from an independent pricing service. Investments in securities listed on a securities exchange are valued at their sales price as of the close of such securities exchange. Listed securities and unlisted securities for which the last sales price is not available are valued at the mean of the bid and asked prices. For those securities where quotations or prices are not available as noted above, valuations are determined in accordance with procedures established in good faith by the Board of Trustees. Futures contracts are valued at the settlement price established each day on the exchange on which they are traded. Short-term securities with remaining maturities of 60 days or less are valued at amortized cost, which approximates market value.

B. SECURITY TRANSACTIONS Security transactions are recorded on a trade date basis. Realized gains and losses are determined on an identified cost basis. The Fund may purchase and sell securities on a "when-issued" or "delayed delivery" basis, with settlement to occur at a later date. The value of the security so purchased is subject to market fluctuations during this period. The Fund will segregate assets with its custodian having an aggregate value at least equal to the amount of the when-issued or delayed delivery purchase commitments until payment is made. At June 30, 2004, there were no when-issued or delayed delivery purchase commitments.

The Fund may invest in repurchase agreements, which are short-term investments in which the Fund acquires ownership of a debt security and the seller agrees to repurchase the security at a future time and specified price. The Fund may invest independently in repurchase agreements, or transfer uninvested cash balances into a pooled cash account along with other investment companies advised by Van Kampen Asset Management (the "Adviser") or its affiliates, the daily aggregate of which is invested in repurchase agreements. Repurchase agreements are fully collateralized by the underlying debt security. The Fund 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 Fund.

C. INVESTMENT INCOME Interest income is recorded on an accrual basis and dividend income is recorded on the ex-dividend date. Premiums are amortized and discounts are accreted over the expected life of each applicable security.

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VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2004 continued

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

The Fund 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 these losses against any future realized capital gains. At June 30, 2004, the Fund had an accumulated capital loss carryforward for tax purposes of \$6,354,808, which will expire on June 30, 2011.

At June 30, 2004, the cost and related gross unrealized appreciation and depreciation are as follows:

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| | |
|---|---------------|
| Cost of investments for tax purposes..... | \$211,091,322 |
| | ===== |
| Gross tax unrealized appreciation..... | \$ 7,467,385 |
| Gross tax unrealized depreciation..... | (2,336,160) |
| | ----- |
| Net tax unrealized appreciation on investments..... | \$ 5,131,225 |
| | ===== |

E. DISTRIBUTION OF INCOME AND GAINS The Fund declares and pays quarterly dividends from net investment income. Net realized gains, if any, are distributed annually. Distributions from net realized gains for book purposes may include short-term capital gains and gains on futures transactions. All short-term capital gains and a portion of futures gains are included in ordinary income for tax purposes.

The tax character of distributions paid during the years ended June 30, 2004 and 2003 was as follows:

| | 2004 | 2003 |
|-----------------------------|--------------|--------------|
| Distributions paid from: | | |
| Ordinary income..... | \$12,568,477 | \$13,747,783 |
| Long-term capital gain..... | -0- | -0- |
| | ----- | ----- |
| | \$12,568,477 | \$13,747,783 |
| | ===== | ===== |

Due to inherent differences in the recognition of income, expenses and realized gain/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 book and tax difference relating to consent fee income totaling \$3,000 was reclassified to accumulated net realized loss from accumulated undistributed net investment income and \$6,079 relating to the recognition of net realized losses on paydowns of mortgage pool obligations was reclassified from accumulated undistributed net investment income to accumulated net realized loss. Additionally, a permanent difference relating to book to tax amortization differences totaling \$231,507 has been reclassified from accumulated net realized loss to accumulated undistributed net investment income.

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VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2004 continued

As of June 30, 2004, the component of distributable earnings on a tax basis were as follows:

| | |
|------------------------------------|-----------|
| Undistributed ordinary income..... | \$104,707 |
|------------------------------------|-----------|

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Net realized gains or losses may differ for financial reporting and tax purposes primarily as a result of the deferral of losses relating to wash sale transactions and gains or losses recognized for tax purposes on open future transactions on June 30, 2004.

F. EXPENSE REDUCTIONS During the year ended June 30, 2004, the Fund's custody fee was reduced by \$76 as a result of credits earned on cash balances.

2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Under the terms of the Fund's Investment Advisory Agreement, the Adviser will provide investment advice and facilities to the Fund for an annual fee payable monthly as follows:

| AVERAGE DAILY NET ASSETS | % PER ANNUM |
|--------------------------|-------------|
| First \$150 million..... | .50% |
| Next \$100 million..... | .45% |
| Next \$100 million..... | .40% |
| Over \$350 million..... | .35% |

For the year ended June 30, 2004, the Fund recognized expenses of approximately \$13,100 representing legal services provided by Skadden, Arps, Slate, Meagher & Flom LLP, counsel to the Fund, of which a trustee of the Fund is an affiliated person.

Under an Accounting Services agreement, the Adviser provides accounting services to the Fund. The Adviser allocates cost of such services to each fund. For the year ended June 30, 2004, the Fund recognized expenses of approximately \$15,200 representing Van Kampen Investments Inc.'s or its affiliates' (collectively "Van Kampen") cost of providing accounting services to the Fund, which are reported as part of "Other" expenses on the Statement of Operations.

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

The Fund 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 upon retirement for a ten-year period and are based upon each trustee's years of service to the Fund. The maximum annual benefit per trustee under the plan is \$2,500.

3. INVESTMENT TRANSACTIONS

During the period, the cost of purchases and proceeds from sales of investments, excluding short-term investments, were \$84,852,361 and \$87,989,568, respectively.

4. DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument in very general terms refers to a security whose value is "derived" from the value of an underlying asset, reference rate or index.

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VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2004 continued

The Fund has a variety of reasons to use derivative instruments, such as to attempt to protect the Fund against possible changes in the market value of its portfolio or to generate potential gain. All of the Fund's portfolio holdings, including derivative instruments, are marked to market each day with the change in value reflected in the unrealized appreciation/depreciation. Upon disposition, a realized gain or loss is recognized accordingly, except when taking delivery of a security underlying a futures contract. In this instance, the recognition of gain or loss is postponed until the disposal of the security underlying the futures contract. Risks may arise as a result of the potential inability of the counterparties to meet the terms of their contracts.

During the period, the Fund invested in futures contracts, a type of derivative. A futures contract is an agreement involving the delivery of a particular asset on a specified future date at an agreed upon price. The Fund generally invests in exchange traded futures on U.S. Treasury Bonds and Notes and typically closes the contract prior to delivery date. Upon entering into futures contracts, the Fund maintains an amount of cash or liquid securities with a value equal to a percentage of the contract amount with either a futures commission merchant pursuant to rules and regulations promulgated under the 1940 Act, as amended, or with its custodian in an account in the broker's name. This amount is known as initial margin. During the period the futures contract is open, payments are received from or made to the broker based upon changes in the value of the contract (the variation margin). The risk of loss associated with a futures contract is in excess of the variation margin reflected on the Statement of Assets and Liabilities.

Transactions in futures contracts for the year ended June 30, 2004, were as follows:

| | CONTRACTS |
|-----------------------------------|-----------|
| Outstanding at June 30, 2003..... | 556 |
| Futures Opened..... | 1,805 |
| Futures Closed..... | (2,036) |
| | ----- |
| Outstanding at June 30, 2004..... | 325 |
| | ===== |

The futures contracts outstanding as of June 30, 2004 and the descriptions and unrealized appreciation/depreciation are as follows:

| | CONTRACTS | UNREALIZED APPRECIATION/ DEPRECIATION |
|--|-----------|---|
| SHORT CONTRACTS: | | |
| U.S. Treasury Bond Future, September 2004 (Current Notional Value of \$106,375 per contract)..... | 35 | \$ (97,098) |
| 5-Year U.S. Treasury Note Future, September 2004 (Current Notional Value of \$108,688 per contract)..... | 153 | (119,897) |
| 10-Year U.S. Treasury Note Future, September 2004 (Current Notional Value of \$109,328 per contract)..... | 137 | (170,937) |

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| | |
|-----|-------------|
| --- | ----- |
| 325 | \$(387,932) |
| === | ===== |

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VAN KAMPEN BOND FUND

NOTES TO FINANCIAL STATEMENTS -- JUNE 30, 2004 continued

5. INDEMNIFICATIONS

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

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VAN KAMPEN BOND FUND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees and Shareholders of Van Kampen Bond Fund

We have audited the accompanying statement of assets and liabilities of Van Kampen Bond Fund (the "Fund"), including the portfolio of investments, as of June 30, 2004, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The Fund's financial highlights for the periods ended prior to June 30, 2000, were audited by other auditors whose report, dated July 23, 1999, expressed an unqualified opinion on those financial highlights.

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 June 30, 2004, by correspondence with the Fund's custodian and brokers; where replies were not received from brokers, 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 Bond Fund as of June 30, 2004, the results of its operations for the year then ended, 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

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August 9, 2004

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VAN KAMPEN BOND FUND

DIVIDEND REINVESTMENT PLAN

The Fund pays distributions in cash, but if you own more than 100 shares in your own name, you may elect to participate in the Fund's dividend reinvestment plan (the "Plan"). Under the Plan, shares will be issued by the Fund at net asset value on a date determined by the Board of Trustees between the record and payable dates on each distribution; however, if the market price including brokerage commissions, is less than the net asset value, the amount of the distribution will be paid to the Plan Agent, which will buy such shares as are available at prices below the net asset value. (If the market price is not significantly less than the net asset value, it is possible that open market purchases of shares may increase the market price so that such price plus brokerage commissions would equal or exceed the net asset value of such shares.) If the Plan Agent cannot buy the necessary shares at less than net asset value before the distribution date, the balance of the distribution will be made in authorized but unissued shares of the Fund at net asset value. The cost per share will be the average cost, including brokerage commissions, of all shares purchased. Since all shares purchased from the Fund are at net asset value, there will be no dilution, and no brokerage commissions are charged on such shares.

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 gain distributions does not relieve you of any income tax which may be payable (or required to be withheld) on dividends or distributions.

You may begin or discontinue participation in the Plan at any time by written notice to the address below. If you withdraw from the Plan, you may rejoin at any time if you own the required 100 shares. Elections and terminations will be effective for distributions declared after receipt. If you withdraw from the Plan, a certificate for the whole shares and a check for the fractional shares, if any, credited to your Plan account will be sent as soon as practicable after receipt of your election to withdraw. Except for brokerage commissions, if any, which are borne by Plan participants, all costs of the Plan are borne by the Fund. The Fund reserves the right to amend or terminate the Plan on 30 days' written notice prior to the record date of the distribution for which such amendment or termination is effective.

Record stockholders should address all notices, correspondence, questions or other communications about the Plan to:

State Street Bank and Trust Company
c/o EquiServe LLP
P.O. Box 8200
Boston, MA 02266-8200
1-800-821-1238

If your shares are not held directly in your name, you should contact your brokerage firm, bank or other nominee for more information and to see if your nominee will participate in the Plan on your behalf. If you participate through your broker and choose to move your account to another broker, you will need to re-enroll in the Plan through your new broker.

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VAN KAMPEN BOND FUND

BOARD OF TRUSTEES AND IMPORTANT ADDRESSES

BOARD OF TRUSTEES

DAVID C. ARCH
J. MILES BRANAGAN
JERRY D. CHOATE
ROD DAMMEYER
LINDA HUTTON HEAGY
R. CRAIG KENNEDY
HOWARD J KERR
MITCHELL M. MERIN*
JACK E. NELSON
RICHARD F. POWERS, III*
HUGO F. SONNENSCHNEIN
WAYNE W. WHALEN* - Chairman
SUSAN H. WOOLSEY

INVESTMENT ADVISER

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

CUSTODIAN AND SHAREHOLDER SERVICING AGENT

STATE STREET BANK AND TRUST COMPANY
c/o EquiServe LLP
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

INQUIRIES ABOUT AN INVESTOR'S ACCOUNT SHOULD BE REFERRED TO THE FUND'S
TRANSFER AGENT

State Street Bank and Trust Company
c/o EQUISERVE LLP
P.O. Box 43011
Providence, Rhode Island 02940-3011
Telephone: (800) 821-1238
Alaska and Hawaii
Call Collect: (781) 575-2000
Ask for Closed-End Fund Account Services

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

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VAN KAMPEN BOND FUND

RESULTS OF SHAREHOLDER VOTES

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

With regards to the election of the following trustees by the common shareholders of the Fund:

| | # OF SHARES | |
|-----------------------------|-------------|----------|
| | IN FAVOR | WITHHELD |
| R. Craig Kennedy..... | 10,038,019 | 260,505 |
| Jack E. Nelson..... | 10,035,098 | 263,426 |
| Richard F. Powers, III..... | 10,045,040 | 253,484 |
| Hugo F. Sonnenschein..... | 10,037,048 | 261,476 |

The other trustees of the Fund whose terms did not expire in 2004 are David C. Arch, J. Miles Branagan, Jerry D. Choate, Rod Dammeyer, Linda Hutton Heagy, Howard J Kerr, Mitchell M. Merin, Wayne W. Whalen and Susan H. Woolsey.

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VAN KAMPEN BOND FUND

TRUSTEE AND OFFICER INFORMATION

The business and affairs of the Fund are managed under the direction of the Fund's Board of Trustees and the Fund's officers appointed by the Board of Trustees. The tables below list the trustees and executive officers of the Fund 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 ("Asset Management" or 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 FUND | TERM OF OFFICE AND LENGTH OF TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS | NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE |
|--|----------------------------|--|---|---|
| David C. Arch (59) Blistex Inc. | Trustee | Trustee since 1997 | Chairman and Chief Executive Officer of | 88 |

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1800 Swift Drive
Oak Brook, IL 60523

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 Manufacturers' Association.

J. Miles Branagan (72)
1632 Morning Mountain Road
Raleigh, NC 27614

Trustee

Trustee since 2003

Private investor. Co-founder, and prior to August 1996, Chairman, Chief Executive Officer and President, MDT Corporation (now known as Getinge/Castle, Inc., a subsidiary of Getinge Industrier AB), a company which develops, manufactures, markets and services medical and scientific equipment.

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VAN KAMPEN BOND FUND
TRUSTEE AND OFFICER INFORMATION continued

| NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE | POSITION(S) HELD WITH FUND | TERM OF OFFICE AND LENGTH OF TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS | NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE |
|---|----------------------------|--|--|---|
| Jerry D. Choate (65) 33971 Selva Road Suite 130 Dana Point, CA 92629 | Trustee | Trustee since 2003 | Prior to January 1999, Chairman and Chief Executive Officer of the Allstate Corporation ("Allstate") and Allstate Insurance Company. Prior to January 1995, President and Chief Executive Officer of Allstate. Prior to August 1994, various management positions at Allstate. | 86 |

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VAN KAMPEN BOND FUND
TRUSTEE AND OFFICER INFORMATION continued

| NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE | POSITION(S) HELD WITH FUND | 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 1997 | 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., a global distributor of wire, cable and communications connectivity products, and IMC Global Inc., an international company that mines, manufactures and sells essential crop nutrients and feed ingredients to farmers. Prior to July 2000, Managing Partner of Equity Group Corporate Investment (EGI), a company that makes private investments in other companies. | 88 |

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VAN KAMPEN BOND FUND
TRUSTEE AND OFFICER INFORMATION continued

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

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| | | | | |
|---|----------------|--|---|-----------|
| <p>Linda Hutton Heagy (56) Heidrick & Struggles 233 South Wacker Drive Suite 7000 Chicago, IL 60606</p> | <p>Trustee</p> | <p>Trustee since 2003</p> | <p>Managing Partner of Heidrick & Struggles, an executive search firm. Trustee on the University of Chicago Hospitals Board, Vice Chair of the Board of the YMCA of Metropolitan Chicago and a member of the Women's Board of the University of Chicago. Prior to 1997, Partner of Ray & Berndtson, Inc., an executive recruiting firm. Prior to 1996, Trustee of The International House Board, a fellowship and housing organization for international graduate students. Prior to 1995, Executive Vice President of ABN AMRO, N.A., a bank holding company. Prior to 1992, Executive Vice President of La Salle National Bank.</p> | <p>86</p> |
| <p>R. Craig Kennedy (52) 1744 R Street, NW Washington, D.C. 20009</p> | <p>Trustee</p> | <p>Trustee since 2003</p> | <p>Director and President of the German Marshall Fund of the United States, an independent U.S. foundation created to deepen understanding, promote collaboration and stimulate exchanges of practical experience between Americans and Europeans. Formerly, advisor to the Dennis Trading Group Inc., a managed futures and option company that invests money for individuals and institutions. Prior to 1992, President and Chief Executive Officer, Director and member of the Investment Committee of the Joyce Foundation, a private foundation.</p> | <p>86</p> |
| <p>Howard J Kerr (68) 736 North Western Avenue P.O. Box 317 Lake Forest, IL 60045</p> | <p>Trustee</p> | <p>Trustee since 1997</p> | <p>Prior to 1998, President and Chief Executive Officer of Pocklington Corporation, Inc., an investment holding company.</p> | <p>88</p> |

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VAN KAMPEN BOND FUND
TRUSTEE AND OFFICER INFORMATION continued

| NAME, AGE AND ADDRESS OF INDEPENDENT TRUSTEE | POSITION(S) HELD WITH FUND | TERM OF OFFICE AND LENGTH OF TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS | NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE |
|--|----------------------------------|--|---|--|
| Jack E. Nelson (68) 423 Country Club Drive Winter Park, FL 32789 | Trustee | Trustee since 2003 | President of Nelson Investment Planning Services, Inc., a financial planning company and registered investment adviser in the State of Florida. President of Nelson Invest Brokerage Services Inc., a member of the NASD, Securities Investors Protection Corp. and the Municipal Securities Rulemaking Board. President of Nelson Sales and Services Corporation, a marketing and services company to support affiliated companies. | 86 |
| Hugo F. Sonnenschein (63) 1126 E. 59th Street Chicago, IL 60637 | Trustee | Trustee since 1997 | 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. | 88 |
| Suzanne H. Woolsey, P.h.D. (62) 815 Cumberstone Road Harwood, MD 20776 | Trustee | Trustee since 2003 | Previously Chief Communications Officer of the National Academy of Sciences/National | 86 |

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Research Council, an independent, federally chartered policy institution, from 2001 to November 2003 and Chief Operating Officer from 1993 to 2001. Director of the Institute for Defense Analyses, a federally funded research and development center, Director of the German Marshall Fund of the United States, Director of the Rocky Mountain Institute and Trustee of Colorado College. Prior to 1993, Executive Director of the Commission on Behavioral and Social Sciences and Education at the National Academy of Sciences/National Research Council. From 1980 through 1989, Partner of Coopers & Lybrand.

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VAN KAMPEN BOND FUND

TRUSTEE AND OFFICER INFORMATION continued

INTERESTED TRUSTEES*

| NAME, AGE AND ADDRESS OF INTERESTED TRUSTEE | POSITION(S) HELD WITH FUND | TERM OF OFFICE AND LENGTH OF TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS | NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE |
|--|--|---|---|---|
| Mitchell M. Merin* (50) 1221 Avenue of the Americas New York, NY 10020 | Trustee, President and Chief Executive Officer | Trustee since 2003; President and Chief Executive Officer since 2002 | President and Chief Executive Officer of funds in the Fund Complex. Chairman, President, Chief Executive Officer and Director of the Adviser and Van Kampen Advisors Inc. since December 2002. Chairman, President and Chief Executive Officer of Van Kampen Investments since December 2002. Director of Van Kampen | 86 |

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Investments since December 1999. Chairman and Director of Van Kampen Funds Inc. since December 2002. President, Director and Chief Operating Officer of Morgan Stanley Investment Management since December 1998. President and Director since April 1997 and Chief Executive Officer since June 1998 of Morgan Stanley Investment Advisors Inc. and Morgan Stanley Services Company Inc. Chairman, Chief Executive Officer and Director of Morgan Stanley Distributors Inc. since June 1998. Chairman since June 1998, and Director since January 1998 of Morgan Stanley Trust. Director of various Morgan Stanley subsidiaries. President of the Morgan Stanley Funds since May 1999. Previously Chief Executive Officer of Van Kampen Funds Inc. from December 2002 to July 2003, Chief Strategic Officer of Morgan Stanley Investment Advisors Inc. and Morgan Stanley Services Company Inc. and Executive Vice President of Morgan Stanley Distributors Inc. from April 1997 to June 1998. Chief Executive Officer from September 2002 to April 2003 and Vice President from May 1997 to April 1999 of the Morgan Stanley Funds.

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VAN KAMPEN BOND FUND
TRUSTEE AND OFFICER INFORMATION continued

| POSITION(S) | TERM OF OFFICE AND LENGTH OF | NUMBER OF FUNDS IN FUND COMPLEX |
|-------------|------------------------------------|--|
|-------------|------------------------------------|--|

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| NAME, AGE AND ADDRESS OF INTERESTED TRUSTEE | HELD WITH FUND | TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS | 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. | 88 |
| Wayne W. Whalen* (64) 333 West Wacker Drive Chicago, IL 60606 | Trustee | Trustee since 1997 | Partner in the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, legal counsel to funds in the Fund Complex. | 88 |

* 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.

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VAN KAMPEN BOND FUND

TRUSTEE AND OFFICER INFORMATION continued

OFFICERS

| NAME, AGE AND ADDRESS OF OFFICER | POSITION(S) HELD WITH FUND | TERM OF OFFICE AND LENGTH OF TIME SERVED | PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS |
|---|------------------------------|--|---|
| Stefanie V. Chang (37) 1221 Avenue of the Americas | Vice President and Secretary | Officer since 2003 | Executive Director of Morgan Stanley Vice President of funds in the Fund |

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New York, NY 10020

| | | | |
|--|---|-----------------------|--|
| 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 Investment Stanley Investment Advisors Inc., Morgan Management Inc. and Morgan Stanley Director of Morgan Stanley Trust for Vice President and Chief Investment Fund Complex. Managing Director and of Van Kampen Investments, the Adviser 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 | Chief Executive Officer and Chairman Executive Vice President and Principal funds in the Fund Complex. Chief Adm Managing Director of Morgan Stanley. Director of Morgan Stanley Investment Morgan Stanley Services Company Inc. and Director of Morgan Stanley Trust President and Principal Executive Of Stanley Funds. Director of Morgan St Chief Global Operations Officer and Morgan Stanley Investment Management |
| John L. Sullivan (48) 1 Parkview Plaza P.O. Box 5555 Oakbrook Terrace, IL 60181 | Vice President, Chief Financial Officer and Treasurer | Officer since 1998 | Director and Managing Director of Va the Adviser, Van Kampen Advisors Inc subsidiaries of Van Kampen Investmen Chief Financial Officer and Treasure Complex. Head of Fund Accounting for Investment Management. Prior to Dece Director of Van Kampen Investments, Kampen Advisors Inc. |

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Van Kampen
 Privacy Notice

The Van Kampen companies and investment products* respect your right to privacy. We also know that you expect us to conduct and process your business in an accurate and efficient manner. To do so, we must collect and maintain certain nonpublic personal information about you. This is information we collect from you on applications or other forms, and from the transactions you conduct with us, our affiliates, or third parties. We may also collect information you provide when using our web site, and text files (also known as "cookies") may be placed on your computer to help us to recognize you and to facilitate transactions you initiate. We do not disclose any nonpublic personal information about you or any of our former customers to anyone, except as permitted by law. For instance, so that we may continue to offer you Van Kampen investment products and services that meet your investing needs, and to effect transactions that you request or authorize, we may disclose the information we collect to companies that perform services on our behalf, such as printers and mailers that assist us in the distribution of investor materials. These companies will use this information only for the services for which we hired them, and are not permitted to use or share this information for any other purpose. To protect your nonpublic personal information internally, we permit access to it only by authorized employees, and maintain physical, electronic and procedural safeguards to guard your nonpublic personal information.

* Includes Van Kampen Investments Inc., Van Kampen Asset Management, Van

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Kampen Advisors Inc., Van Kampen Management Inc., Van Kampen Funds Inc., Van Kampen Investor Services Inc., Van Kampen System Inc. and Van Kampen Exchange Corp., as well as the many Van Kampen mutual funds and Van Kampen unit investment trusts.

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

(VAN KAMPEN INVESTMENTS LOGO)

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Funds Inc. All rights reserved.
Member NASD/SIPC.
VBF ANR 8/04 RN04-01592P-Y06/04

Item 2. Code of Ethics.

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

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

(e) Not applicable.

(f)

(1) The Fund's Code of Ethics is attached hereto as Exhibit 11A.

(2) Not applicable.

(3) Not applicable.

Item 3. Audit Committee Financial Expert.

The Fund's Board of Trustees has determined that it has three "audit committee financial experts" serving on its audit committee, each of whom are "independent" Trustees: J. Miles Branagan, Jerry Choate and R. Craig Kennedy. 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, 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.

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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..... | \$28,080 | N/A |
| NON-AUDIT FEES | | |
| AUDIT-RELATED FEES..... | \$0 | \$230,000 (2) |
| TAX FEES..... | \$1,550 (3) | \$0 (4) |
| ALL OTHER FEES..... | \$0 | \$0 (5) |
| TOTAL NON-AUDIT FEES..... | \$1,550 | \$230,000 |
| TOTAL..... | \$29,630 | \$230,000 |

| 2003 | REGISTRANT | COVERED ENTITIES |
|---------------------------|-------------|------------------|
| AUDIT FEES..... | \$26,376 | N/A |
| NON-AUDIT FEES | | |
| AUDIT-RELATED FEES..... | \$0 | \$95,000 (2) |
| TAX FEES..... | \$1,500 (3) | \$0 (4) |
| ALL OTHER FEES..... | \$0 | \$0 (6) |
| TOTAL NON-AUDIT FEES..... | \$1,500 | \$95,000 |
| TOTAL..... | \$27,876 | \$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 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

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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.

(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 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

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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 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

(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 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 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

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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

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- Issuance of SAS-70 reports on internal controls of Morgan Stanley Trust Co. and MSIM Trade Operations
- 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

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- 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 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

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- 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 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

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

Item 8. Purchase of Equity Securities by Closed-End Management Investment

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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 Fund's principal executive officer and principal financial officer have concluded that the Fund'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 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 Bond Fund

By: /s/ Ronald E. Robison

Name: Ronald E. Robison
Title: Principal Executive Officer
Date: August 19, 2004

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

By: /s/ Ronald E. Robison

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Name: Ronald E. Robison
Title: Principal Executive Officer
Date: August 19, 2004

By: /s/ James M. Dykas

Name: James M. Dykas
Title: Principal Financial Officer
Date: August 19, 2004