



WORLD SERVICE OFFICE, INC.  
NARCOTICS ANONYMOUS

P.O. Box 9999  
Van Nuys, CA 91409  
(818) 780-3951

TO: The Fellowship

FROM: Robert B. Stone, Executive Director  
World Service Office

SUBJECT: 1990 Annual Report to the  
World Service Conference

DATE: April 23, 1990

As another busy and successful year of N.A. growth comes to a close, it is time to present a review of activities of the World Service Office. This year there are two reports from the office, this one and another from the chairperson of the Board of Directors.

We successfully accomplished our many routine duties while a number of big projects moved to completion and several important events happened during the year. Perhaps the most exciting event was the publication and distribution of the Basic Text in French. Important strides also have been achieved in the draft translations of the text into Spanish, German, Portuguese, Arabic, and Hebrew. Although each draft is at a different stage of completion and each has its own problems, the members and committees working on these translations can surely overcome any apparent obstacles.

Equally important has been the opening of the European Service Office in London, England. The office is operational with one employee and adequate equipment, and it will soon be stocked to supply the fellowship in Europe with literature in numerous languages.

Major efforts were exerted to provide assistance to emerging fellowship communities outside the U.S. as well as more extensive energy devoted to translations. A number of pamphlets were translated and added to the inventory. The commemorative edition of the Basic Text was received and distributed. Over 2,700 have been sold so far.

A solution has been found and partially implemented to overcome the difficulties experienced in providing literature to the Canadian fellowship. From the emergence of the fellowship in Canada, the WSO has had difficulty getting literature to our members in a cost efficient, expeditious manner. After several studies and then board authorization, a branch shipping office has been placed in Mississauga, Ontario (a city adjacent to Toronto). This facility, when staffed with a part-time employee, will be able to fulfill literature needs of the Canadian fellowship quickly, at minimum cost.

Resolution does not appear in sight for the conflict with the principal outside company using the N.A. logo for its own commercial purpose. A meeting with their attorney is scheduled for May. In a related matter, efforts have been made to implement the authorization granted at the last conference to bring illegal jewelry manufacturing under control. However, as reported by the chairperson of the board, the matter needs to be discussed by the conference again.

The number of *N.A. Way Magazine* subscriptions has continued to rise and the magazine may soon be fully self-supporting. A new editor has taken charge and the editorial review process has worked exceedingly well.

The WSO achieved a new level of financial growth. However, the finances are not really very rosy. Despite a higher gross income, there are concerns in the analysis of the financial figures.

The office continued to provide extensive service to the Board of Trustees and conference committees. It was not possible to expand these services, as no funds were available to hire additional staff. However, the level of staff support remained high, and many important projects were advanced.

Progress was achieved in resolving the concerns over the tax status of the fellowship in the U.S. and in five other countries. Although more work remains, a foundation for possible solutions has been established.

This report will contain information on these subjects and other items. We begin with a review of the 1989 year-end financial report.

### 1989 AUDIT REPORT

For the second year, an audit of the financial records of the WSO was conducted by an accountant. This audit was intended to determine the reliability of the accounting records generated by the WSO in the course of its business activities, and to disclose the financial condition of the WSO as of the last day of the year. The accountant's report is enclosed, but first are comments relevant to some elements of the report.

The overall financial picture of the WSO is not encouraging. During the 1989 fiscal year, there was an increase in gross income, but the level of expenses was greater than the income. There was an increase in the value of the inventory, which represents part of that expense over income, but that was only part of the story.

The key element was the unhappy news that the number of Basic Text sold during the year did not rise nearly as much as in recent years. While preparing this report, we discovered an error had been made in the addition of figures reporting the number of texts sold last year. Even after the adjustment was made, the comparison of texts sold this year was not as exciting as we are usually able to report.

In order to make it easier to keep record and show a relationship between the book count and the financial reports, we have change the reporting cycle to match the calendar year. All of the figures in the report for Text Sales have been converted. In the 1988 calendar year 317,797 copies were sold. In the 1989 calendar year 363,089 copies were sold . This represents an increase in sales of 45,292 books or a .1425 percent increase.

This modest increase in text sales had an impact on fellowship offices and committees as well as WSO. Fortunately, there was a normal increase in the sales of other items so the impact was not dramatic. As it was, WSO did curtail some expenditures that would have improved service to the fellowship. Additionally, we worked more closely with the conference and major regional service offices to obtain expeditious payment for services or literature.

Now an examination of the individual figures in the audit report. Refer to the numbers on the Balance Sheet, Statement of Revenue and Expenses, Statement of Changes in Fund Balances, and Notes to the Financial Statements.

1. There was a substantial depletion of the funds held in savings accounts. Funds kept in savings are intended for short and long-term unusual expenditures, but especially when there is a shortage of funds. Because WSO expenditures during the year were greater than the income it was necessary to spend \$142,190 from savings. We do not

expect that the 1990 income/expense balance will permit return of funds to savings accounts this year. In the interim, the WSO continues to operate with a minimum prudent reserve. It has been necessary to use more of the reserve since the beginning of 1990.

2. This is the amount that was owed to WSO from all customers on the last day of December. There is considerable fluctuation of the total Accounts Receivable during the year. This is a fairly average balance.

3. This entry includes accounts receivable from the WSC (\$33,318), the World Convention Corporation (\$4,553), and the countries that have license agreements with delayed repayment provisions (\$29,282). Of these accounts, the first two were paid within a month. The license agreement accounts provide for a repayment schedule that will not reduce the amount owed until much later. The amount due from license agreements is also the subject of Note 1 of the accountant's report.

4. The value of WSO inventory is the result of various factors: establishing and adjusting inventory levels based on estimates of need, rate of sales for individual items, timing (when orders for more printing are made and when delivered), and the availability of money to invest in inventory. All of these are variables, sometimes resulting in low inventory and sometimes resulting in high inventory.

The increase in inventory was the result of a plan to increase the level of all inventory items in 1989, and the unexpected long-term slump in sales.

In the first half of 1989 there was a high sales rate for the text, so the stock level was increased in anticipation of a sales rate showing continued growth during the rest of the year.

During each of the past five years, WSO has experienced a three-month lull in sales. This has usually occurred from mid-June to mid-September. By October of each year, sales increased again. Unfortunately, in 1989 the sales slump did not recover in October. This meant that the books already on hand in October were supplemented by books scheduled for production in the final months of the year. At the end of December there were 135,000 books in stock. This alone represented almost \$270,000 of inventory value. This was the major factor in the increased inventory level for 1989.

A final scheduled printing took place in January, 1990 and despite a moderate increase in sales since then, the inventory level is still high.

5. There were three factors related to the increase in equipment purchases during the year. The first was the additional equipment installed in the building leased last year for support services staff. This included a new computer network system and additional fire-safe file cabinets. The second factor was the expense for equipping the European branch office. Although we currently have only one employee there, we made provision for several. This included computer, fax, and office equipment. The third factor was the routine upgrade and replacement of office equipment and computers.

6. This increased expenditure for leasehold improvements was primarily for preparations to the building at 16135 Wyandotte. This building was leased at the beginning of 1989 and required considerable reconstruction.

7. The amount reflected in Accounts Payable changes each week, based on the receipt of new bills and how many we pay that week. We generally pay all bills within 30 days. The relatively low accounts payable balance indicates WSO had just paid bills prior to the end of the month.

8. Since mid-1988, WSO has had a credit line (open loan) that has been used from time to time as an additional tool for the payment of expenses. The credit line has been

used to assist payment of large bills (for example, printing the Basic Text). The credit line has usually been repaid fairly quickly. During 1989, up to \$75,000 was used at one time, but part was paid back. The balance shown at the end of the year could have been paid from savings, but it was thought that funds in savings might be needed for other pending expenses.

9. This account is a consolidation of most inventory sales. However, \$136,811 from the Miscellaneous Income should also be added to Literature Sales to reflect the complete value of inventory sold. This combined total (\$3,999,138) reflects literature sales increased by .1883 percent over the previous year.

10. The percentage of gross income allowed as discounts has remained constant. There has been little fluctuation over the past five years.

11. The Total Revenue figure reflects an increase of \$633,780 over the income of 1988. However, the increase was smaller than the year before (1988 - \$708,516).

12. Unfortunately, prevailing accounting practice does not provide for a detailed report on the expenses included in the Cost of Merchandise entry. It may not be important, but there are some interesting points to be made about this entry. The moderate increase in the cost of producing the inventory items, \$235,674, represents an increase of .1635 percent over the expense last year.

13. Included in the expense figures are some costs for operation of the European branch office. See note 21 for details about expenditures for the ESO.

14. The tremendous increase in this account reflects the action of three separate legal matters. The office has continued work to have the logos registered in more countries. This requires that an application be filed with the government of the country in which the filing is being made. This is done by our attorney in California, contracting with an attorney in each country, who then completes the work according to laws of that country. Work was done this year to protect the logos in Canada, Spain, France, Brazil, Portugal, Greece, and Germany. Work still remains to be done in some of these places, and work will be started this year in others.

The second area of legal work was preparation for filing suit against the company in northern California that has been using the N.A. logo illegally. The third area of work was preparation of the tax matter for the U.S. and other countries. Reports on these other matters are separate from this report.

15. Greater use was made of consultants generally, but especially of the consultant who helps with the final production of the Basic Text. This consultant oversaw the final preparation of the English and French texts and did extensive research on possible book store sales. Consultants were also used extensively to accomplish a larger number of translations, as is reported later. Contract labor expense was also encountered with opening of the ESO. A local printing consultant has been used for several years, but the services of this consultant are being discontinued.

16. The increase in insurance expense comes from three areas. First, there was a moderate increase in the rate charged by the Workers Compensation Insurance Company. Second, there was an increase in the general office insurance package, resulting from the addition of a third major building and an increase in the value of the inventory. The third factor was a large increase in the cost of the health plan portion paid by the office.

17. The increase in rent reflects the additional cost of the third major building in Van Nuys and the space for the European branch office.

18. The increase in salary expense over the previous year was \$144,697. This included all increases for cost of living and merit raises. As reported last year, the departure of three project coordinators in 1988 deflated the expense for salaries in the 1988 fiscal year. Those positions were filled in late 1988 and early 1989. Part of the increased salary expense in this report reflects the full-year cost of those salaries.

19. More extensive travel was necessary this year than previously. The opening of the ESO, the resolution of literature availability in Canada, and extended visits to help resolve problems in countries far away helped increase the travel expense. The travel expense included actual transportation as well as lodging and authorized meals reimbursement.

20. This note by the accountant is about the funds of the World Service Conference. By agreement with the WSC Administrative Committee, the income and expense of the conference (receipts and expenditures) are added to the annual WSO IRS report without being integrated into this report. The note by the accountant is his way of indicating that he did not audit the WSC account, its income or expenditures.

The detailed WSC income source and expenditure report are prepared by the conference treasurer.

#### EUROPEAN SERVICE OFFICE FINANCIAL SUMMARY

21. An account was opened in London to handle the European branch office in late 1988. There were few transactions prior to the end of 1988, so all activity was included in the WSO report given to the conference last year.

It was not until April, 1989 that the account was used very much, as that was when the current WSO facility was rented. During the first few months, there was no regular employee and the few checks that were handled through the account paid for rent and utilities or miscellaneous equipment.

During this time, and for most of the year, many of the expenses of the ESO were paid directly from the WSO general accounts in Van Nuys. As it took a long time to develop a compatible and parallel accounting process (WSO General Account in U.S. dollars and the ESO Operating Account in English pounds) to account for all expenditures, the expenditures made directly from the WSO General Account were listed in a ledger entry as ESO Holding Account. It was not until the end of the year that these funds were integrated into a single report.

Part of the difficulty created by operating the ESO accounts within the General Ledger of the WSO is that the U.S. dollar and U.K. pound fluctuate in value each day. Each transaction can cause considerable confusion.

On pages 13 and 14 are the Balance Sheet and Expense Statement for the ESO computed in U.K. pounds. These pages incorporate detailed explanation of the advances and expenditures for the WSO that correlate to the figures reported in the notes of the accountant's audit report. In order to make the reports understandable, the currency exchange rate used was an average for the last month of 1989.

The 26,659.57 pounds figure shown as the net loss on page 14 equates to the U.S. dollar figure \$42,810 in the accountant's note #7. The other figures in his note #7 are reflected in the Balance Sheet with this key: \$3,198 is the combination of cash in the General Account--Pounds and General Account--U.S. The \$2,720 in assets is the office equipment. The \$4,896 in Security Deposits is listed as Deposits.

When this report is given next year, there will be a substantial increase in all expense categories. The expense shown for 1989 represents only a partial year and does not include expenses paid from the WSO General Account directly or from the Van Nuys WSO Payroll Account. For example, the ESO worker was in Van Nuys for training for several weeks in August, 1989. Her paychecks were made from the Van Nuys WSO Payroll account rather than the ESO payroll account. Next year, all expenditures for the ESO will be reflected in the ESO report.

In order to comply with regulations of the U.K. government for reporting financial activity of the branch office, a separate accounting is made of all activity of the branch. This accounting report will accompany the year-end filing made to the government. There is no subsidiary company involved. This activity is still a direct activity of the WSO. All of the assets, liabilities, etc., are incorporated into the report completed by the accountant for the WSO report.

In the Assets section are shown two checking account balances and the value of the literature inventory as of the end of the year. This is followed by the value of Office Equipment, Improvements, and the rent deposit.

The Advances represents funds or inventory transferred, for accounting purposes, to this Balance Sheet. The Current Earnings figure (fully explained on the Expense Statement page) represents the amount of money expended for the project by transfers of funds. The minus figure tells us that the expense was greater than the income. This had to be the case, because no sales income was allocatable to the ESO in this report period.

The Expenses Statement provides a breakdown of the different expense categories established for the account.

**STEPHEN L. FRIEDMAN**

CERTIFIED PUBLIC ACCOUNTANT

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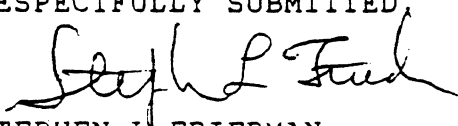
FEBRUARY 14, 1990

BOARD OF DIRECTORS  
WORLD SERVICE OFFICE, INC  
16155 WYANDOTTE STREET  
VAN NUYS, CALIFORNIA 91406

I HAVE AUDITED THE ACCOMPANYING COMBINED BALANCE SHEETS OF WORLD SERVICE OFFICE, INC., (A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION) AS OF DECEMBER 31, 1989, AND THE RELATED STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE FOR THE YEAR THEN ENDED. THESE FINANCIAL STATEMENTS ARE THE RESPONSIBILITY OF THE COMPANY'S MANAGEMENT. MY RESPONSIBILITY IS TO EXPRESS AN OPINION ON THESE FINANCIAL STATEMENTS BASED ON MY AUDIT.

I CONDUCTED MY AUDIT IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS. THOSE STANDARDS REQUIRE THAT I PLAN AND PERFORM THE AUDIT TO OBTAIN REASONABLE ASSURANCE ABOUT WHETHER THE FINANCIAL STATEMENTS ARE FREE OF MATERIAL MISSTATEMENT. AN AUDIT INCLUDES EXAMINING, ON A TEST BASIS, EVIDENCE SUPPORTING THE AMOUNTS AND DISCLOSURES IN THE FINANCIAL STATEMENTS. AN AUDIT ALSO INCLUDES ASSESSING THE ACCOUNTING PRINCIPLES USED AS SIGNIFICANT ESTIMATES MADE BY MANAGEMENT, AS WELL AS EVALUATING THE OVERALL FINANCIAL STATEMENT PRESENTATION. I BELIEVE THAT MY AUDIT PROVIDES A REASONABLE BASIS FOR MY OPINION. IN MY OPINION, THE FINANCIAL STATEMENTS REFERRED TO ABOVE PRESENT FAIRLY, IN ALL MATERIAL RESPECTS, THE FINANCIAL POSITION OF WORLD SERVICE OFFICE, INC., AS OF DECEMBER 31, 1988 AND DECEMBER 31, 1989 AND THE RESULTS OF THEIR OPERATIONS AND CHANGES IN FUND BALANCES FOR THE YEAR THEN ENDED IN CONFORMITY WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

RESPECTFULLY SUBMITTED,



STEPHEN L. FRIEDMAN  
CERTIFIED PUBLIC ACCOUNTANT

## WORLD SERVICE OFFICE, INC.

## BALANCE SHEET

DECEMBER 31, 1989 AND 1988

ASSETS

	<u>1989</u>	<u>1988</u>
<u>CURRENT ASSETS</u>		
① CASH ON HAND AND IN CHECKING	\$ 47,542	\$ 32,857
① CASH IN SAVINGS	81,767	223,958
② ACCOUNTS RECEIVABLE - CUSTOMERS	287,361	281,519
③ ACCOUNTS RECEIVABLE - OTHER (WSC-WCCNA)	67,154	27,271
EMPLOYEE EXCHANGE	1,466	695
④ INVENTORY	395,911	241,156
PREPAID EXPENSES	12,167	9,950
	-----	-----
TOTAL CURRENT ASSETS	893,368	817,406
	-----	-----
<u>FIXED ASSETS, AT COST</u>		
⑤ OFFICE EQUIPMENT (INCLUDES TYPESETTING, DUPLICATING AND COMPUTER EQUIPMENT)	410,987	326,387
FURNITURE AND EQUIPMENT	179,512	169,396
⑥ LEASEHOLD IMPROVEMENTS	77,853	35,036
LESS: ACCUMULATED DEPRECIATION	(351,424)	(252,476)
	-----	-----
NET BOOK VALUE OF ASSETS	316,928	278,343
	-----	-----
<u>OTHER ASSETS</u>		
DEPOSITS - RENT	17,221	13,325
	-----	-----
TOTAL ASSETS	\$ 1,227,517	\$ 1,109,074
	=====	=====

LIABILITIES AND FUND BALANCE

<u>CURRENT LIABILITIES</u>		
⑦ ACCOUNTS PAYABLE	\$ 70,943	147,918
SALES TAX PAYABLE	896	1,505
⑧ CREDIT LINE PAYABLE	50,050	---
	-----	-----
TOTAL CURRENT LIABILITIES	121,889	149,423
	-----	-----
<u>FUND BALANCE</u>	1,105,628	959,651
	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,227,517	\$ 1,109,074
	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS



WORLD SERVICE OFFICE, INC.  
STATEMENT OF REVENUES AND EXPENSES  
AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED DECEMBER 31, 1989 AND 1988

	<u>1989</u>	<u>1988</u>
<b>REVENUES</b>		
⑨ LITERATURE SALES	\$ 4,994,613	\$ 4,199,117
⑩ LESS: RETURNS AND ALLOWANCES	(1,132,286)	(927,422)
INTEREST	11,216	11,547
⑨ MISCELLANEOUS	160,216	93,663
	-----	-----
⑪ TOTAL REVENUE	4,033,759	3,376,905
⑫ <u>COST OF MERCHANDISE</u>	(1,676,900)	(1,441,226)
	-----	-----
<u>GROSS PROFIT</u>	2,356,859	1,935,679
	-----	-----
<b>EXPENSES</b>		
⑭ ACCOUNTING AND LEGAL	67,585	15,538
AUTOMOBILE LEASE	7,375	6,671
BAD DEBTS	1,961	6,992
BANK SERVICE CHARGES	589	423
⑮ CONTRACT LABOR AND CONSULTING	44,749	17,100
DEPRECIATION	98,948	83,726
⑯ INSURANCE	146,598	94,522
INTEREST EXPENSE	4,393	---
MAINTENANCE, REPAIRS AND SERVICE CONTRACTS	52,736	38,788
MISCELLANEOUS	6,350	5,507
OFFICE EXPENSE	89,774	59,106
PAYROLL EXPENSE	86,528	74,443
POSTAGE AND SHIPPING	83,725	88,248
PUBLIC INFORMATION	2,636	6,597
⑰ RENT AND LEASES	181,163	120,249
⑱ SALARIES	1,050,809	906,112
SUPPLIES	21,169	21,866
TELEPHONE	59,336	59,556
TRANSLATIONS	9,451	5,119
⑲ TRAVEL	176,880	150,441
UTILITIES	18,127	11,174
	-----	-----
TOTAL EXPENSES	2,210,882	1,772,178
	-----	-----
<u>EXCESS REVENUE OVER EXPENSES</u>	145,977	163,501
	-----	-----
<u>FUND BALANCE, BEGINNING OF YEAR</u>	959,651	796,150
	-----	-----
<u>FUND BALANCE, END OF YEAR</u>	\$ 1,105,628	\$ 959,651
	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

WORLD SERVICE OFFICE, INC.

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEARS ENDED DECEMBER 31, 1989 AND 1988

	<u>1989</u>	<u>1988</u>
CASH WAS PROVIDED BY:		
EXCESS OF REVENUES OVER EXPENSE	\$ 145,977	\$ 163,501
(INCREASE) IN ACCOUNTS RECEIVABLE	(45,725)	(15,081)
(INCREASE) IN EMPLOYEE EXCHANGE	(771)	(695)
(INCREASE) IN INVENTORY	(154,755)	(104,161)
(INCREASE) DECREASE IN PREPAID EXPENSES	(2,217)	58,680
(INCREASE) IN FIXED ASSETS (NET OF ACCUMULATED DEPRECIATION)	(38,585)	(32,723)
(INCREASE) DECREASE IN DEPOSITS	(3,896)	175
(DECREASE) INCREASE IN ACCOUNTS PAYABLE	(76,975)	104,980
(DECREASE) IN SALES TAX PAYABLE	(609)	(529)
INCREASE IN CREDIT LINE PAYABLE	50,050	---
INCREASE (DECREASE) IN CASH	----- (127,506)	----- 174,147
CASH IN BANKS AND ON HAND DECEMBER 31, 1988, 1987	----- 256,815	----- 82,668
CASH IN BANKS AND ON HAND DECEMBER 31, 1989, 1988	\$ 129,309 =====	\$ 256,815 =====
CASH ON HAND AND IN CHECKING ACCOUNTS	\$ 47,542	\$ 32,857
CASH IN SAVINGS	81,767	223,958
	----- \$ 129,309 =====	----- \$ 256,815 =====

SEE NOTES TO FINANCIAL STATEMENTS

WORLD SERVICE OFFICE, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1989 AND 1988

NOTE 1

ACCOUNTS RECEIVABLE ARE WRITTEN OFF DIRECTLY AS THEY BECOME UNCOLLECTIBLE. RECEIVABLES WRITTEN OFF ARE INCLUDED IN BAD DEBT. ACCOUNTS RECEIVABLE - OTHER OF \$29,282 IS FROM A EUROPEAN OFFICE WHICH IS OVER TWO YEARS OLD AND MAY NOT BE RECOVERED. INVENTORY IS VALUED AT COST.

NOTE 2

WORLD SERVICE OFFICE, INC. IS A NON PROFIT ORGANIZATION AND THEREFORE THERE IS NO PROVISION FOR INCOME TAXES INCLUDED IN THESE STATEMENTS.

NOTE 3

FIXED ASSETS ARE DEPRECIATED ON THE STRAIGHT LINE METHOD OVER THE ESTIMATED USEFUL LIVES OF THE ASSETS.

NOTE 4

THE COMPANY HAS A LINE OF CREDIT FROM CAPITAL BANK FOR \$100,000. INTEREST WILL BE PAID AT 1 1/2% ABOVE PRIME.

NOTE 5

THE COMPANY HAS LEASES FOR 16129 WYANDOTTE STREET AND 16155 WYANDOTTE STREET THAT EXPIRE OCTOBER 31, 1990. THERE IS A THREE YEAR LEASE COMMENCING DECEMBER 1, 1988, ON 16135 WYANDOTTE STREET, VAN NUYS, CALIFORNIA. THERE IS ALSO A MONTH TO MONTH LEASE AT 16160 WYANDOTTE STREET. AS OF DECEMBER 31, 1989 THE TOTAL LEASE PAYMENT IS \$11,977 PER MONTH. THERE IS ALSO A ONE YEAR LEASE IN LONDON AT \$1213 PER MONTH THAT COMMENCED MARCH 17, 1989.

NOTE 6

(20) NOT INCLUDED IN THIS REPORT IS \$238,234 OF INCOME AND \$218,617 IN EXPENSES FROM WORLD SERVICE CONFERENCES, WHICH ARE DIFFICULT TO AUDIT. THESE CONFERENCES ARE AFFILIATED WITH WORLD SERVICE OFFICE, INC., AND USE THESE FUNDS TO OPERATE.

NOTE 7

(21) INCLUDED IN THE BALANCE SHEET IS \$3,198 IN A LONDON BANK AS WELL AS \$2,720 IN FIXED ASSETS AND \$3,896 IN SECURITY DEPOSITS FROM THE LONDON OFFICE. THERE IS ALSO \$42,810 IN EXPENSES INCURRED IN LONDON INCLUDED ON THE STATEMENT OF REVENUE AND EXPENSES.

SEE NOTES TO FINANCIAL STATEMENTS

BALANCE SHEET  
EUROPEAN SERVICE OFFICE  
PERIOD 12-POUNDS (1.6 CONVERSION)  
DECEMBER 31, 1989

ASSETS

General Account: Pounds	1,302.60	
Gen. Account: US \$ (converted to pounds)	688.75	
Inventory (converted to pounds)	886.31	
TOTAL CURRENT ASSETS	2,877.66	
Office Equipment	1,473.75	
Leasehold Improvement	350.00	
Less accumulated depreciation	(130.00)	
TOTAL FIXED ASSETS	1,693.75	
Deposits	2,426.00	
TOTAL OTHER ASSETS	2,426.00	
TOTAL ASSETS		6,997.41

LIABILITIES

WSO Advances	1,991.35	
Inventory Advances	886.31	
TOTAL CURRENT LIABILITIES	2,877.66	
TOTAL LIABILITIES		2,877.66

CAPITAL

Capital	30,779.32	
Current Earnings	(26,659.57)	
TOTAL CAPITAL	4,119.75	
TOTAL LIABILITIES AND CAPITAL		6,997.41

EXPENSE STATEMENT  
EUROPEAN SERVICE OFFICE  
PERIOD 12-POUNDS (1.6 CONVERSION)  
DECEMBER 31, 1989

GENERAL & ADMINISTRATIVE EXPENSES

Bank service charges	29.99	64.59
Computer supplies	0.00	80.50
Depreciation	130.00	130.00
Insurance (general)	0.00	287.50
Office expense	303.25	3,103.18
Postage	652.16	784.65
Rent	(1,213.00)	13,072.50
Storage space	145.00	435.00
Telephone	0.00	2,986.26
Travel	23.55	289.38
Utilities	0.00	43.61
TOTAL GENERAL EXPENSES	70.95	21,277.17

PRODUCTION EXPENSES

Contract labor	0.00	484.20
Export fees	0.00	688.29
Shipping expense	0.00	809.91
TOTAL PRODUCTION EXPENSES	0.00	1,982.40

PERSONNEL EXPENSES

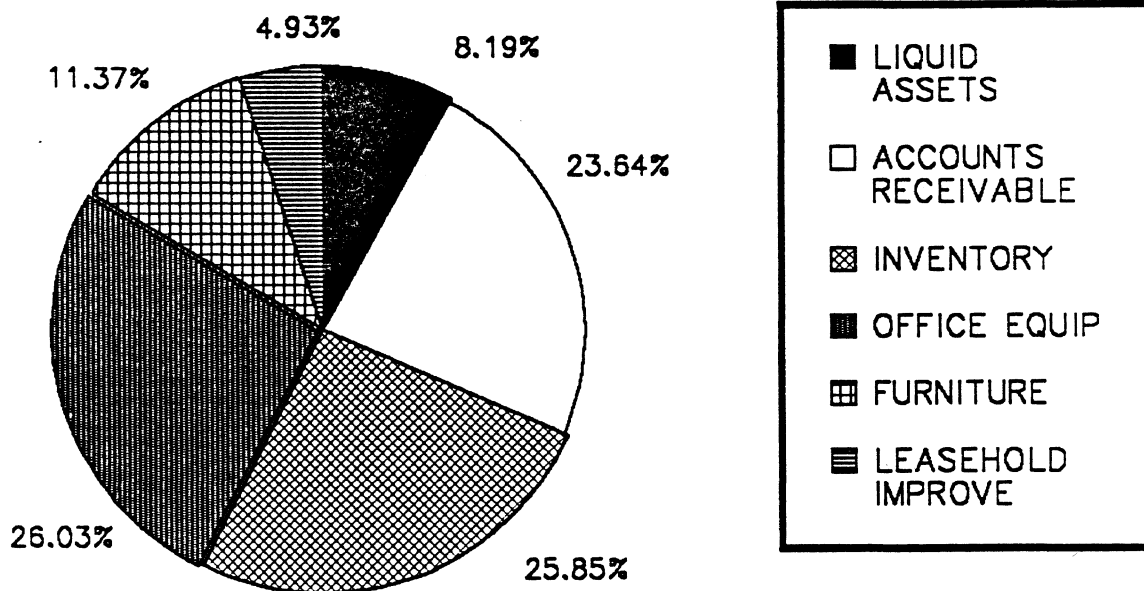
Salaries	680.00	3,400.00
TOTAL PERSONNEL EXPENSES	680.00	3,400.00

TOTAL EXPENSES	750.95	26,659.57
NET PROFIT (LOSS)	(750.95)	(26,659.57)

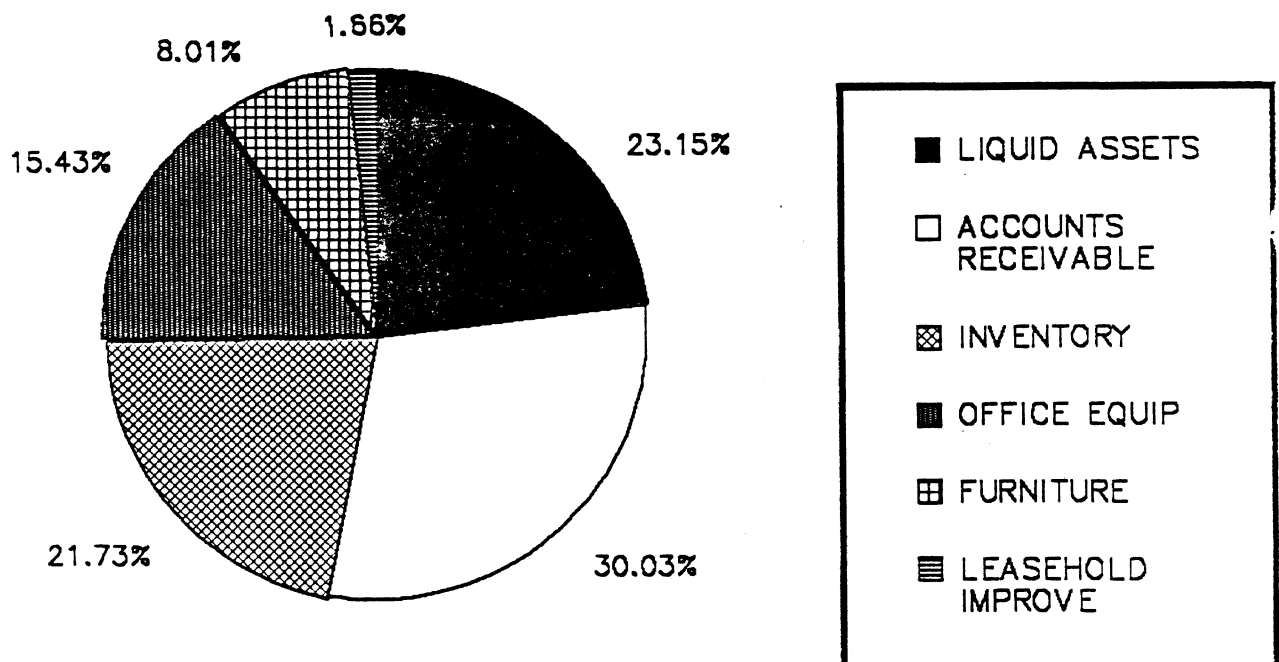
### CHART ONE - WSO ASSET DISTRIBUTION

This chart shows the distribution of the assets as of the last day of the year. Comparing it to the chart for December 31, 1988, it shows there was a drop in the percentage of liquid assets (cash in checking or savings) and Accounts Receivable. There was an increase in Inventory, Office Equipment, Furniture and Leasehold Improvements. The only undesirable change was the reduction of savings.

#### WSO ASSET DISTRIBUTION 1989



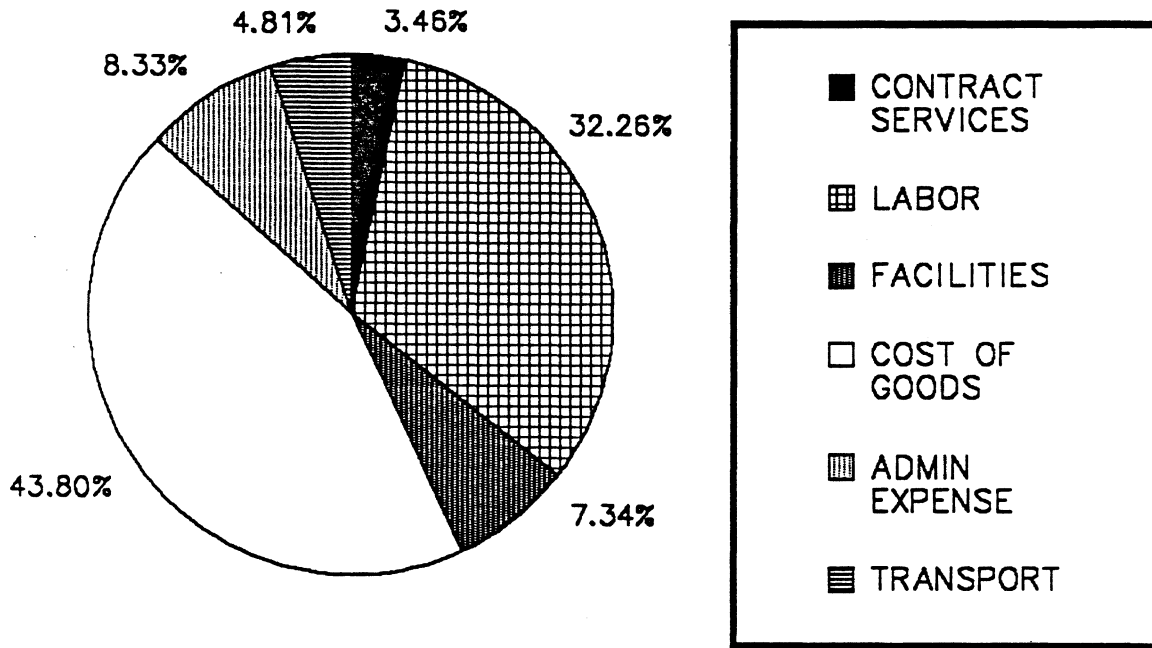
#### WSO ASSET DISTRIBUTION 1988



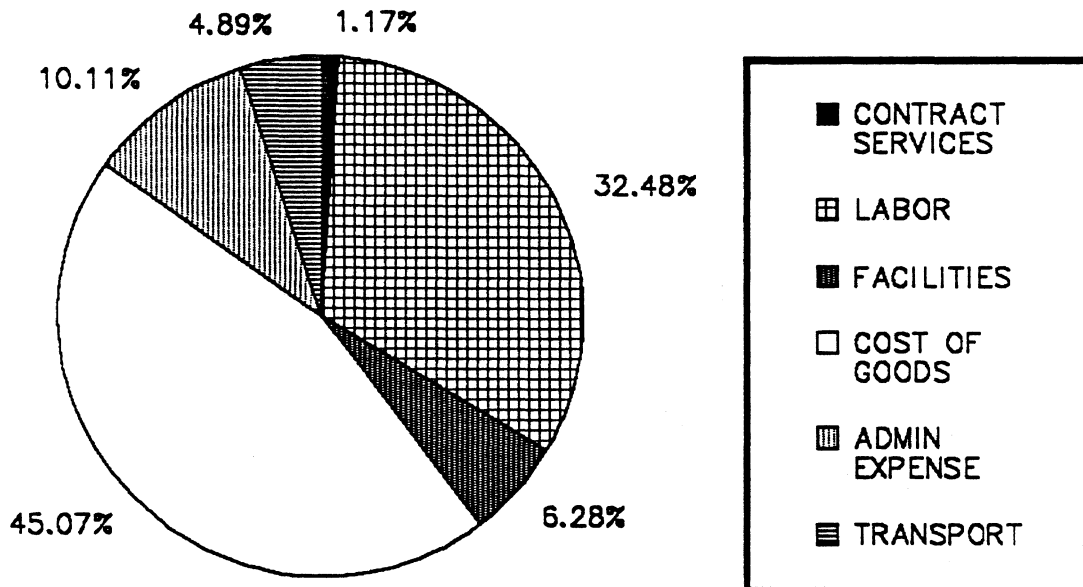
## CHART TWO - WSO EXPENDITURE SUMMARY

This chart shows expenditure categories as a percentage of overall expense. Although there was an across-the-board increase in expense, the percentages spent in different areas changed very little.

### WSO EXPENDITURE SUMMARY 1989

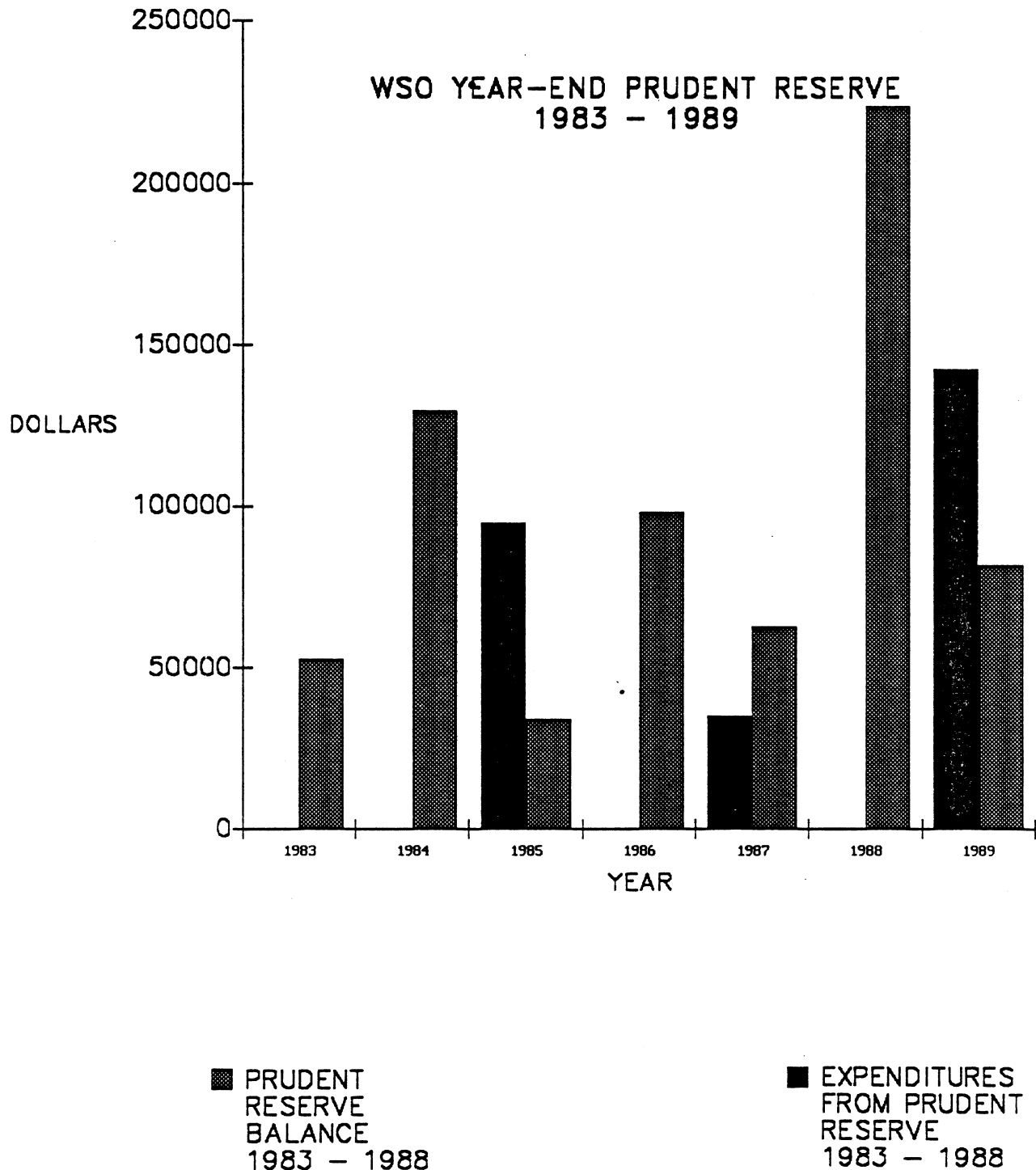


### WSO EXPENDITURE SUMMARY 1988



### CHART THREE - PRUDENT RESERVE

WSO used a considerable portion of the prudent reserve in 1989. As explained in other parts of this report, it was necessary to use the reserve for operational expenditures. It is not expected that funds will be returned to the reserve during the coming year.



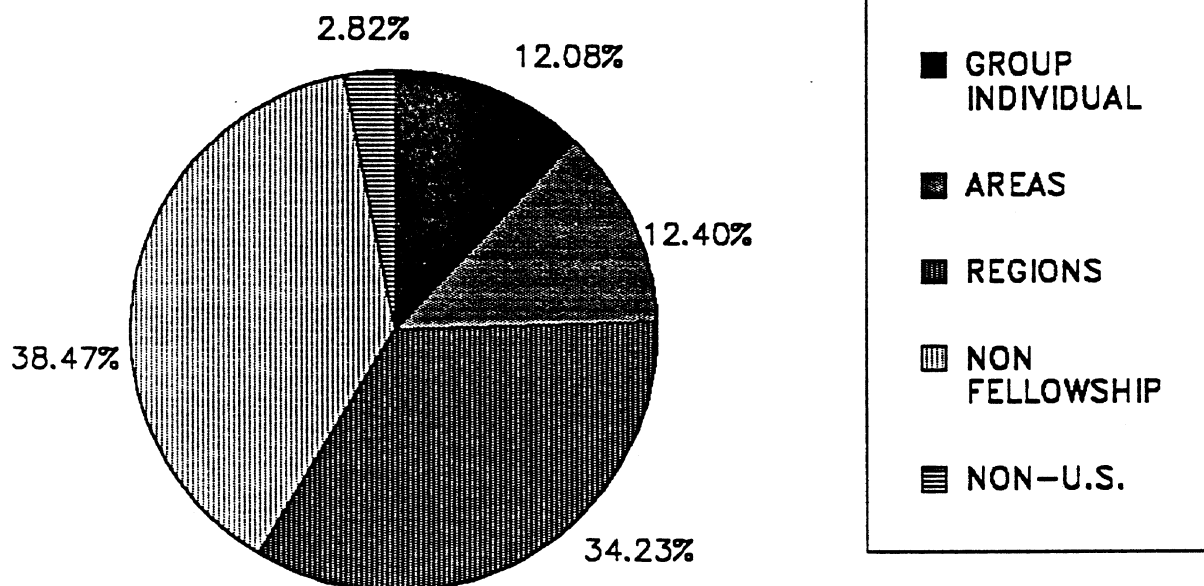


# CHART FOUR - LITERATURE SALES

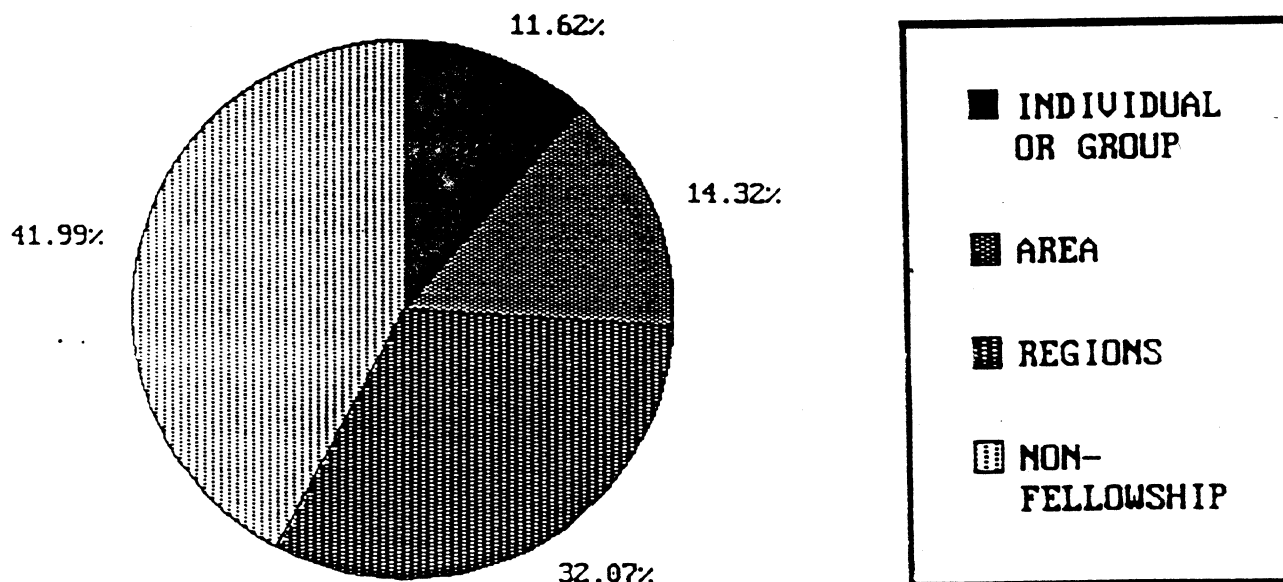
This chart was gathered from figures reflected in the Shipping Log. These figures are not the same ones used in the accounting function and are not precise. They are a general representation of literature sales from among all customers. The figures from which this chart is derived are the totals shown in Tables One and Two.

For the fourth straight year, the percentage of literature sold to non-fellowship buyers decreased. The percentages are: 1986--48.01%, 1987--45.47%, 1988--41.99%, 1989--38.47%

## WSO LITERATURE SALES CHART 1989



## WSO LITERATURE SALES CHART 1988



**TABLE ONE**  
**LITERATURE SALES BY CATEGORY OF BUYER**  
**UNITED STATES**

A reminder: the figures in Tables One and Two are taken each year from the shipping log records and not from the accounting records. As a result of this, there is a difference of approximately \$200,000 in the total figures. The shipping log records are not adjusted for changes in transactions after the order is initially entered. Therefore, use the following figures as a guide rather than actual fact.

They are close enough, however, to reveal patterns in literature sales. For example, there was an increase in gross income, but the percentage of sales to non-fellowship buyers decreased. There was a slight decrease in purchases from Hazelden, but an overall increase of almost \$100,000 from non-fellowship buyers combined. Some of the larger regional service offices increased their purchases during the year and began selling to treatment centers that had been purchasing from Hazelden or from WSO.

The three places where non-fellowship purchases decreased the most were California, Illinois and Pennsylvania. In each of these states, the service offices made substantial increases in purchases from WSO. There is probably a connection. There were other shifts in purchasing. During the year, two offices in different states experienced considerable management difficulty. In both cases, purchases by the region (and therefore the whole state) were down considerably.

In other cases, there were shifts in purchasing from the area to the region within a state. We believe these shifts reflect changes in the structure of literature sales between the region and area committees, rather than a decrease in literature use by those area committees.

State	1988 Totals	Individual or group	Area	Region	Non- fellowship	1989 Totals
Alabama	26,494	10,002	7,673	2,315	2,119	22,108
Alaska	6,342	3,686	1,949	191	209	6,036
Arizona	26,015	11,691	17,655	1,434	9,805	40,585
Arkansas	7,000	5,967	1,907	5	475	8,353
California	360,431	49,803	6,311	243,065	35,974	335,154
Colorado	40,090	5,261	2,018	8,877	380	16,537
Connecticut	46,046	27,050	27,562	1,949	5,088	61,649
Delaware	0	1,490	381	0	0	1,871
D.C.	3,369	433	275	0	699	1,407
Florida	127,734	10,766	412	120,856	16,571	148,605
Georgia	52,621	5,888	7,031	41,125	25,876	79,920
Hawaii	10,797	1,219	480	9,698	0	11,397
Idaho	8,344	4,581	2,839	0	431	7,851
Illinois	166,528	4,945	1,593	94,105	68,470	169,113
Indiana	23,563	7,660	15,691	937	9,683	33,971
Iowa	15,628	10,086	6,188	556	3,712	20,542
Kansas	21,068	15,373	5,905	557	5,951	27,787
Kentucky	13,106	12,170	5,005	0	5,683	22,859
Louisiana	17,407	9,563	10,684	63	238	20,547

Maine	6,031	1,558	136	0	4,536	6,230
Maryland	108,682	9,243	56,805	37,193	30,647	133,888
Massachusetts	86,474	8,607	7,862	75,879	16,993	109,342
Michigan	88,298	2,983	1,075	89,971	26,275	120,303
Minnesota	22,910	5,761	1,431	14,115	935,405	956,711
Hazelden	943,332					
Mississippi	7,537	4,628	2,109	0	310	7,046
Missouri	28,019	13,079	5,485	6,345	2,699	27,607
Montana	2,449	3,036	569	0	154	3,759
Nevada	11,907	1,169	7,933	9,690	725	19,517
Nebraska	20,107	4,578	4,286	0	834	9,699
New Hampshire	5,860	210	0	0	1,823	2,034
New Jersey	137,577	37,631	99,262	429	15,874	153,196
New Mexico	12,119	6,708	360	0	1,903	8,971
New York	159,767	20,316	7,291	161,018	3,795	192,420
North Carolina	44,331	7,390	318	57,937	9,109	74,753
North Dakota	3,109	760	473	55	0	1,287
Ohio	54,751	12,165	15,172	30,013	16,041	73,390
Oklahoma	31,657	4,395	54	13,858	3,889	22,196
Oregon	49,352	8,730	26,507	11,630	15,736	62,603
Pennsylvania	115,268	19,084	22,250	136,177	12,121	189,632
Rhode Island	10,665	1,151	10,421	0	6,433	18,005
South Carolina	2,281	1,640	1,200	0	1,580	4,420
South Dakota	2,771	981	643	0	58	1,682
Tennessee	71,467	11,765	16,368	387	80,856	109,375
Texas	95,748	7,738	4,634	80,654	30,432	123,458
Utah	8,780	4,568	972	2,163	4,509	12,213
Vermont	2,544	4,867	971	0	0	5,839
Virginia	46,315	18,838	25,664	5,310	21,784	71,597
Washington	57,150	24,854	27,836	213	17,894	70,796
West Virginia	5,901	6,857	641	52	792	8,341
Wisconsin	27,443	1,829	320	40,189	5,365	47,703
Wyoming	1,479	3,611	0	0	6	3,617
<b>U.S.Total</b>	<b>3,244,294</b>	<b>458,364</b>	<b>470,607</b>	<b>1,299,011</b>	<b>1,459,942</b>	<b>3,687,922</b>
<b>1988 Totals</b>		<b>376,836</b>	<b>464,445</b>	<b>1,040,605</b>	<b>1,362,409</b>	

**TABLE TWO**  
**INTERNATIONAL LITERATURE SALES 1989**  
**(U.S. DOLLARS)**

The totals shown in this report do not include sales of literature produced under license agreements with the fellowship in four countries: United Kingdom, Ireland, Germany, and Australia. Those agreements are discussed later. It does not reflect literature use in Brazil or Colombia, where literature has been produced without license, but with knowledge of WSO. In both cases, efforts are being made to rectify this situation.

Although some sales were made to the island fellowships in the Caribbean, most of their literature needs were handled by the Florida Regional Office. This has been done with the consent of WSO, although they have found that they lost money on most transactions because of the shipping fees or other costs.

In the WSO Chairpersons report, the issue of providing literature to countries where the fellowship is destitute is discussed. It has long been understood by WSO that these countries require special consideration by members of the fellowship in more affluent nations.

	1988 Country totals	Individual or group	Area	Region	Non- fellowship	1989 Totals
Australia	5,725	30	17	1,429	0	1,476
Bahamas	21	0	0	0	0	0
Barbados	0	0	0	0	41	41
Belgium	0	0	0	93	0	93
Bermuda	0	674	0	0	0	674
Brazil	378	0	0	0	0	0
Canada	90,164	9,368	8,308	71,799	1,717	91,191
China	9	0	0	0	0	0
Denmark	36	0	0	0	0	0
England	5,943	15	0	6,660	0	6,675
Ecuador	0	199	0	0	0	199
Finland	0	135	0	0	0	135
France	402	397	0	653	0	1,050
Germany	598	111	0	459	0	570
Guam	41	18	0	0	0	18
India	60	69	0	0	0	69
Ireland	475	0	0	50	345	395
Israel	206	306	0	270	0	576
Italy	84	0	0	0	0	0
Jamaica	528	0	0	0	0	0
Japan	1,066	0	0	160	0	160
Korea	43	0	0	0	0	0
Mexico	40	162	0	0	0	162

Netherlands	21	0	0	0	0	0
New Zealand	36	65	0	0	0	65
Norway	25	0	0	0	200	200
Panama	0	51	0	0	0	51
Portugal	141	49	94	0	0	143
Puerto Rico	91	172	0	0	0	172
South Africa	241	0	0	0	50	50
Sweden	446	1,788	0	287	0	2,075
Taiwan	61	0	0	0	0	0
Trinidad	0	16	0	0	0	16
Venezuela	0	29	0	0	0	29
Virgin Islands	514	625	34	0	0	659
Int'l Total	107,396	14,279	8,453	81,860	2,353	106,944
Grand Total	3,351,690	472,643	479,057	1,380,870	1,462,297	3,794,867

**TABLE THREE**  
**MEDALLION SALES**

The number of medallions shown below represents an interesting way to keep track of the growth in the fellowship during the last few years. As a growing number of individuals reach another year anniversary, their continuing membership is reflected in medallion sales of the next higher year. The increase in higher year sales probably reflects a growing acceptance among older members of using these medallions as a commemorative of their recovery.

Medallions:	Sold in 1986	Sold in 1987	Sold in 1988	Sold in 1989
1 year	16,929	23,045	30,302	38,657
2 year	7,730	12,605	17,392	22,622
3 year	4,436	7,725	10,277	13,645
4 year	2,832	4,574	6,708	8,921
5 year	2,159	3,482	4,925	6,574
6 year	896	1,829	2,703	3,684
7 year	763	1,248	1,851	2,664
8 year	513	792	1,474	1,862
9 year	592	750	1,130	1,537
10 year	572	687	994	1,335
11 year	137	295	503	491
12 year	112	247	480	378
13 year	75	218	305	329
14 year	62	192	258	297
15 year	62	189	226	256
16 year	31	83	120	133
17 year	27	58	121	124
18 year	28	58	111	129
19 year	18	54	101	104
20 year	<u>29</u>	<u>53</u>	86	112

	38,003	58,184		
21 year			18	33
22 year			20	29
23 year			17	30
24 year			18	25
25 year			16	23
26 year			10	13
27 year			5	14
28 year			6	14
29 year			4	12
30 year			5	14
31 year			3	10
32 year			6	9
33 year			4	13
34 year			4	9
35 year			7	13
36 year				1
37 year				1
38 year				1
39 year				1
40 year				1
Total			80,210	104,120

TABLE FOUR

## KEYTAGS AND CHIPS

It may be interesting to note that among medallions, keytags and chips commemorating one year of recovery there were a total of 151,274 items sold. This was an increase of 32,211 over the number sold last year. Although most committees keep some extra commemorative items on hand all the time, it seems realistic to suppose that most one-year commemorative items were in fact given away. Almost any figure could be used in estimating the number of actual one-year birthdays. For example, one arbitrary figure that could be used is use is 85 percent. Other figures are just as good. Using 85%, would mean that 128,582 members were celebrating their first year during 1989.

Many people suggest that the number of people in most areas that have one year represents about ten percent of the members. This may mean that there are as many as 1,285,820 members in N.A. However, an average between this figure and the number of White Booklets sold might be more accurate.

Keytags:	Sold in 1986	Sold in 1987	Sold in 1988	Sold in 1989
Welcome	182,500	296,624	450,125	534,504
30 day	113,500	166,207	230,249	278,787
60 day	78,000	119,295	165,081	196,274
90 day	89,500	103,247	137,830	166,941
6 months	51,500	77,364	101,152	123,102
9 months	41,500	68,023	82,676	103,433
1 year	34,000	50,551	71,998	94,900
<b>Total</b>	<b>590,500</b>	<b>881,311</b>	<b>1,239,111</b>	<b>1,497,941</b>

Chips:	Sold in 1986	Sold in 1987	Sold in 1988	Sold in 1989
Welcome	65,064	133,339	168,914	196,920
30 day	31,874	63,715	81,751	89,095
60 day	23,668	45,704	45,265	60,173
90 day	22,894	40,213	42,573	47,015
6 month	16,590	27,776	27,470	33,914
9 month	15,204	24,335	21,964	27,488
1 year	12,847	17,075	16,763	17,717
<b>Total</b>	<b>188,141</b>	<b>352,157</b>	<b>404,700</b>	<b>472,322</b>

TABLE FIVE

## INFORMATION PAMPHLET SALES

The figures on pamphlet sales are an interesting way to see what literature is actually used. Only three items seem to hold some surprise: pamphlets #2, #7, and #18.

The decrease in sales of IP#2 is probably because of the increased cost and maturity of the existing meetings, combined with the fact that the fellowship is not expanding the number of groups and meetings as fast as it was a few years ago. Both factors suggest a decrease in utilization of the IP for explaining how a group is started or functions. This IP tends to be given to newer members who become interested in service, rather than used as recovery literature.

The #7 pamphlet is clearly the most popular. This may hold the key to understanding the number of people who come through our doors the first time. Just for the fun of it, you might keep an eye on how these are used in your own home group over the next year.

The number of group starter kit pamphlets produced and sold has not changed much over the years. Unfortunately, we do not have a way to correlate the number of meetings started to the number of these pamphlets distributed.

The chart below does not include data on the number of pamphlets produced and distributed by the fellowship in Germany, Brazil, Colombia, Ireland, Australia and the United Kingdom.

	Sold in 1986	Sold in 1987	Sold in 1988	Sold in 1989
I.P. #1 Who, What, How & Why	324,410	320,044	359,590	401,305
I.P. #2 The Group	216,440	190,650	231,037	196,081
I.P. #5 Another Look	231,000	198,411	228,440	240,338
I.P. #6 Relapse & Recovery	255,250	324,376	354,045	404,673
I.P. #7 Am I an Addict?	299,680	376,278	449,765	546,881
I.P. #8 Just for Today	255,595	292,227	344,211	421,127
I.P. #9 Living the Program	131,100	229,539	267,118	301,805
I.P. #11 Sponsorship	200,674	336,537	363,048	431,986
I.P. #12 Triangle of Self-Obsession	205,100	232,787	272,023	314,194
I.P. #13 Youth & Recovery	160,853	227,471	258,973	273,515
I.P. #14 One Addict's Experience	187,605	199,999	232,323	259,863
I.P. #16 For the Newcomer	251,310	384,472	421,313	486,379
I.P. #18 Starter Kit	6,375	4,411	5,971	5,357
I.P. #19 Self Acceptance	165,005	276,692	304,838	367,462
I.P. #20 H&I and the N.A. Member	141,630	154,854	165,706	171,520
I.P. #21 The Loner	*6,600	68,457	176,410	170,028
I.P. #22 Welcome to N.A.	*10,730	104,191	344,002	422,822
I.P. #23 Staying Clean Outside			120,754	276,842
I.P. #24 Hey What's the Basket			99,267	140,904
<b>Total</b>	<b>3,049,357</b>	<b>3,921,396</b>	<b>4,998,834</b>	<b>5,833,082</b>



TABLE SIX

## WHITE BOOK SALES

The numbers shown below do not include the quantity produced and sold by license agreement outside of the U.S.

	Sold in 1986	Sold in 1987	Sold in 1988	Sold in 1989
English	447,610	492,228	541,481	567,219
Spanish		17,830	11,285	15,071
French			6,148	8,824
<b>Total</b>	<b>447,610</b>	<b>510,058</b>	<b>558,914</b>	<b>591,114</b>

TABLE SEVEN

## BASIC TEXT SALES BY YEAR

Each year in this report, the number of texts sold has been calculated on the original sales date of April 27, 1983. It was not a convenient date to base sales upon, but it was a grand emotional gesture that pleased almost everyone. However, it was impossible for the office or others to make any correlation between that number and the year-end financial report. In order to accomplish that, we have recalculated the total sales for each prior year. In future years we will report text sales on a calendar year basis.

One of the reasons this change was desirable is the difficulty in keeping a separate book count. While preparing this year's report we discovered an error was incorporated in this table last year. The number of books reported as sold in December 1988 (27,607) was also added into the figure shown as books sold in January 1989. The information below has been corrected.

<u>Total</u>	<u>Soft Cover</u>	<u>Hard Cover</u>	<u>Year Totals</u>
Copies sold during 1983		24,841	24,841
Copies sold during 1984		55,450	55,450
Copies sold during 1985		126,135	126,135
Copies sold during 1986		191,203	191,203
Copies sold during 1987		268,922	245,441
Copies sold during 1988	12,549	305,248	317,797
Copies sold during 1989	10,970	352,119	363,089
<b>TOTAL SALES</b>			<b>1,3241,056</b>

**TABLE EIGHT**  
**BASIC TEXT SALES BY MONTH**

	Sold in 1988	Sold in 1989
January	37,718	34,670
February	10,697	51,284
March	42,632	35,847
April	35,317	13,289
May	23,465	40,563
June	32,827	47,037
July	23,380	12,534
August	26,570	34,944
September	36,447	15,514
October	12,206	33,282
November	8,944	13,982
December	<u>27,594</u>	<u>30,143</u>
<b>Total</b>	<b>317,797</b>	<b>363,089</b>

### COMMEMORATIVE EDITION SALES

The idea of producing a commemorative edition of the text was a widely supported concept. Combining its publication with generating extra money for supporting translations made the idea even more appealing. While some members were unhappy with the price and with the fact that the idea had not been voted on by the conference, there was still enough support to make the project a success.

If the idea had been thought of prior to the conference in 1988, the WSO would certainly have sought approval at that time. Unfortunately, when the idea crystalized, the conference was long since over. After considerable discussion within the board, it was decided to proceed. The board did not intend to offend the conference or exercise authority it did not feel was appropriate.

An important issue throughout the discussions was establishing a proper number of commemorative editions to print. It was important to print enough to meet the demand, yet not overprint so copies were left long after the remembrance of its purpose was past. Eventually, the decision was to order five thousand copies. The printer actually delivered 4,990.

When the announcement of the project was reported in the *Newsline*, an explanation was given which outlined how the income from commemorative text sales would be distributed. It was reported that the additional production expense, along with the normal income, would be deducted from the price charged. The resulting "extra profit" would then be set aside for translation and printing of translated material into languages other than English."

There were extra production costs because of the materials and procedures applied. The final cost for the printing, including the extra material and procedures, came to \$4.86 per copy. This, when added to the normal income from text sales, amounted to \$10.90, which would be

subtracted from the \$35.00 sales price. The "extra profit," therefore, amounted to \$24.10 per copy.

As of the end of 1989 there were 2,774 copies sold. This resulted in \$66,853.40 set aside for extra translation costs. A separate checking account was not created to hold these funds and the money was integrated into the general fund of WSO. However, by keeping track of the number sold, the amount allocated to the translation projects has been easy to manage. Since the beginning of the year approximately three hundred additional copies have been sold.

These funds were directed toward translations of material into French, German, and Spanish. The chart shows expenditures to the date of the Conference.

Multi Language Translations	\$1,779.19
German Text Translations	1,769.61
German Misc. Translations	2,178.59
French Misc Translations	1,378.00
French Text Typsetting	2,208.11
French Text Printing	11,194.21
French Text Production Services	2,704.34
Spanish Text Translation	3,929.00
Spanish Text Meeting	3,943.61
Spanish Text Meeting	3,868.04
Spanish Misc. Translations	<u>3,192.16</u>
<b>Total</b>	<b>\$38,144.86</b>
 <b>Income (1989)</b>	 <b>\$66,853.40</b>
 <b>Total Remaining</b>	 <b>\$28,708.54</b>

As more copies are sold, more money will be added to this translation fund. A follow up report will be given to the Conference next year.

## TABLE NINE

### HANDBOOKS AND SERVICE GUIDES

	Sold in 1987	Sold in 1988	Sold in 1989
H&I Guidelines	3,513	2,751	1,535
Guide to PI	2,235	2,273	2,119
Handbook for N.A. Newsletters	539	460	505
Revised Lit Committee Handbook	1,093	1,081	1,108
Guide to Phoneline Service	2,181	1,960	1,891
Convention Guidelines	1,246	1,088	694
Temporary Working Guide	5,170	5,747	4,266
Treasurers Handbook	1,592	1,739	1,562
Group Treasurers Workbook		575	1,701
H&I Handbook (approved at WSC '89)			2,835

## FELLOWSHIP REPORT SUBSCRIPTIONS

In 1988, at the request of the conference, the *Fellowship Report* was offered for sale by subscription. Experience taught us that the expense for sending a *Fellowship Report* each time it was issued to a single address was about \$15.00 per year. Therefore, it was logical to set this as the price for a single subscription.

The conference intent, however, was to encourage wide readership rather than focus on only a few single subscriptions. WSO therefore offered to lose money on mass subscriptions by offering to sell a multi-copy subscription of thirty copies sent to a single address for fifty dollars a year. Under this scheme, the WSO would lose money on the multi-copy subscriptions until over ten thousand copies would be produced for each mailing.

Prior to the subscription program, only three or four hundred were produced each issue. With this low volume the most economical way to produce them was on the office Xerox machine. When the number of copies reached nine or ten thousand, they could be printed on a "Web" press like the recent *Newsline*. This process is much cheaper, and the WSO might not continue to lose money on the multi-copy subscription offer.

From time to time, inquiries are made about this issue, so we thought we would include a short report of this. In the following table is the number of paid single and multi-copy subscriptions. Unfortunately, of the total paid subscriptions (97), we do not have current addresses for 10. We are attempting to find new addresses.

TABLE TEN

<u>State</u>	<u>Single</u>	<u>Bulk</u>
Alabama	1	1
Alaska	1	0
California	5	2
Connecticut	2	1
England	1	0
Florida	1	3
Illinois	2	4
Indiana	0	2
Kentucky	0	1
Louisiana	1	0
Maryland	3	1
Massachusetts	1	3
Michigan	0	1
Minnesota	1	1
Missouri	1	2
New Hampshire	1	0
New Jersey	5	7
New York	1	1
North Carolina	2	1
North Dakota	0	1
Ohio	2	3
Oklahoma	1	0
Ontario	1	3
Oregon	1	0

Pennsylvania	3	8
Tennessee	0	1
Texas	0	3
Virginia	0	3
Washington	1	3
Washington DC	1	0
Wisconsin	<u>1</u>	<u>1</u>
<b>Total</b>	<b>40</b>	<b>57</b>

## ORGANIZATION AND MANPOWER

The past year was one of rebuilding and training. About the time of the conference last year, WSO had 43 full-time employees, several of whom were new, filling positions vacant for some time. Two of the new employees were project coordinators, and their year has been spent in learning their jobs as they did them.

During the year, several employees departed and were not replaced. This has left WSO short of clerical staff and undermanned in several departments. If funds become available, a few of these positions will be filled.

Only one new employee was hired to fill a newly created position. That employee was selected for work in the European branch office. That new employee is Lizzie Guest, a member of the fellowship in London. She completed orientation and training in Van Nuys and then returned to London.

The board authorized the creation of two new supervisory positions. One has been filled with promotion of an existing employee, while the other will remain vacant until funds become available. The vacancy created by the promotion will not be filled.

Steve Sigman was promoted from project coordinator to supervisor. His new responsibilities will be to oversee the work of project coordinators in public information, hospitals and institutions, literature, and policy. He will also serve as the primary staff support for the conference administrative committee. This change is taking place during this conference meeting.

Steve's promotion relieves George Hollahan of these direct supervision duties and will give George opportunity to provide better assistance to the Board of Trustees, supervision of Group Services, the *N.A. Way Magazine*, the European branch office, and the international Department.

Ron Hofius, the *N.A. Way* editor for five years, left to start his own computer consulting business. A search was initiated for a replacement. Seven members applied for the job and four were interviewed. An excellent candidate, Andy Mann from North Carolina, was selected and began work in late January 1990. The current edition of the magazine is the first issue completed under his management. He has demonstrated excellent skill and understanding of magazine management.

A minor reorganization was made in department activities: *N.A. Way Magazine* now comes under supervision of George Hollahan; shipping and receiving is now supervised by Anthony Edmondson. Both of these activities were previously supervised directly by the executive director.

From time to time, members ask how much money is spent in each of the work areas to which the office assigns staff time. Earlier this year, a review of work by each department was conducted. That review required each supervisor to list the major projects on which their staff members work, and how much time was spent on each project in 1989.

This information was then matched with the 1989 expense for personnel. The chart below was recently published in the *Newsline*, but is reported here for your information. There were a number of surprises in that many activities were lower than expected, while some were higher than previously thought.

Some of the work in group services and international is similar, although handled by different people. The general administration includes overall management, accounting and personnel activities.

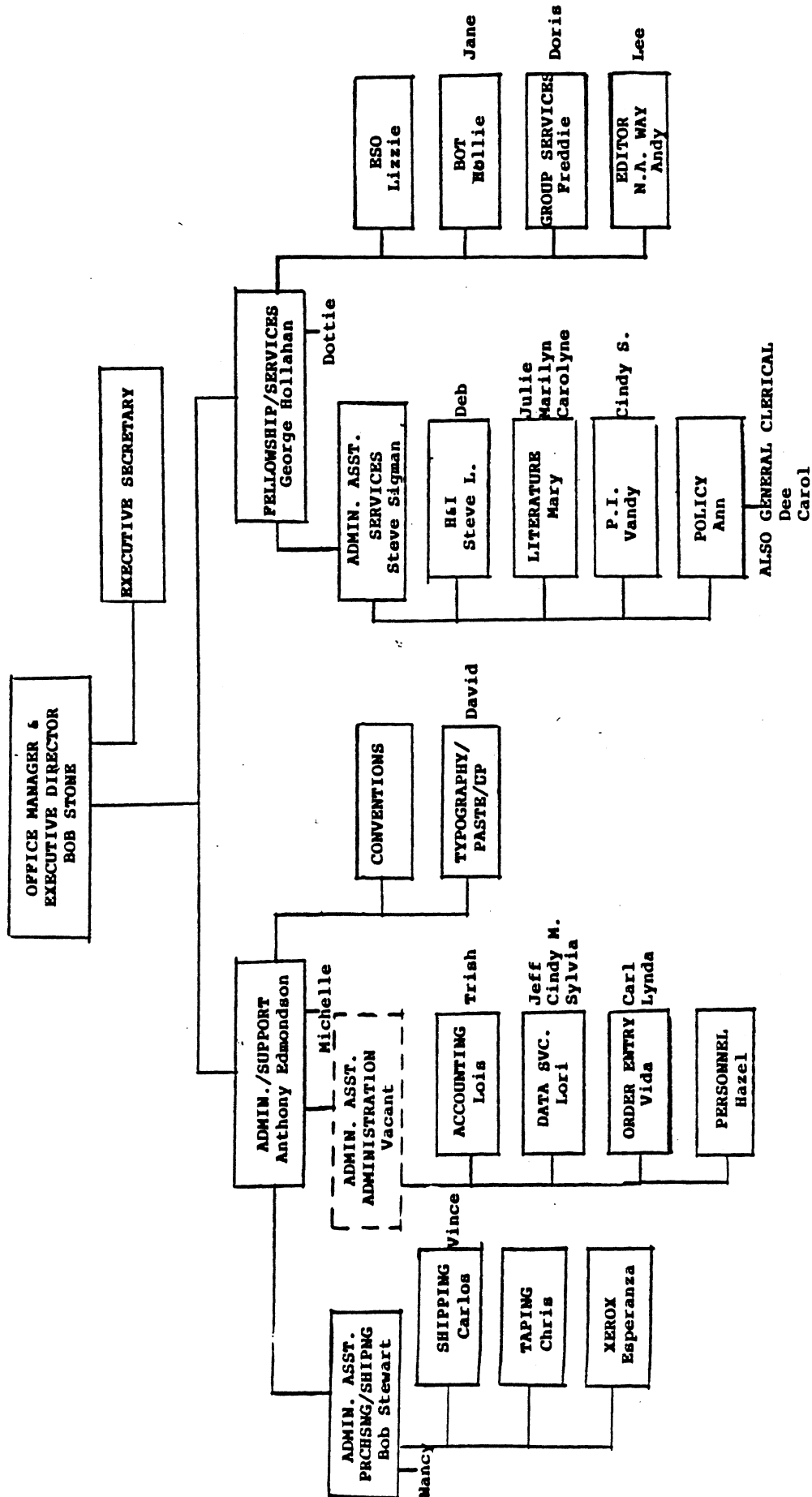
The table shows distribution of labor cost as it was, rather than how anyone really wanted it to be. The office makes adjustments in work assignments more in response to the needs that arise, rather than according to a long-range priority listing. It would be nice to be able to plan our work in that manner, but the office adjusts its work force to the decisions made at the conference.

For example, there are several motions on the agenda this year that would require the assignment of additional manpower to specific projects. This will be done, if the conference adopts the motions which set this alternative in motion.

**TABLE ELEVEN**

**DISTRIBUTION OF LABOR COSTS**

Group Services:	7.50%
P.I.:	3.84%
H&I:	4.91%
Policy:	1.22%
Lit:	9.34%
Gen. Admin:	16.61%
International:	9.61%
BOT:	4.21%
WSC:	4.96%
Order Entry:	5.37%
Data Entry:	6.17%
N.A. Way:	5.41%
Conv/Ofc's:	5.55%
Shipping:	<u>15.30%</u>
	100.0%





## SUPPORT SERVICES DEPARTMENT

The Support Services Department grew stronger this year, its first full year since consolidation as a department. There were frequent staff meetings, sharing of ideas, and suggestions about operations and procedures. Through this open exchange, the department has refined and improved its performance.

**ACCOUNTING:** The biggest difficulty during the year was installation and operation of a new accounting program. The old program simply was outdated and insufficient. The new program took several months to learn about and install. It became operative on the first of January 1990. The new system should be adequate for WSO needs for at least five years of continuous growth.

Another major project was development of an accounting capability to handle the European Branch Office. Transfer of funds from our Van Nuys bank to the bank in London is an activity beyond our control and the banks feel no regard for our concerns. They have delayed transfers, lost one for a month and have been late in making payments of standing orders when they were clearly set forth.

The accounting department prepared numerous reports and studies involving research of old records so the board and senior office management had reliable data for decision making.

**PERSONNEL:** Although the Personnel Department consists of only one person, it is a critical activity. This department handles the weekly payroll, maintains files on each employee, and schedules yearly evaluations. Employee enrollment in the health plan is managed by this department, along with responding to inquiries about employment and interviews or testing. Because of the workload in Accounting, the monitoring and recording of expenditures for the conference is handled by the Personnel Department.

**DATA SERVICES:** This department handles all of the names and addresses, subscription data (except for the N.A. Way Magazine), and meeting lists maintained by the office. This large and complicated field of work is made more difficult by the failure of many people to plan ahead or inform the Data Services Department of changes in information until long after mail was returned or misdirected. Important but ancillary tasks assigned to this department include management of the Loner Group, supervision of the tape review process, and management of travel services.

**PRODUCTION SERVICES:** This department of one employee handles all typesetting of N.A. publications approved literature, *N.A. Way Magazine*, *Reaching Out*, and *Meeting by Mail*. The largest commitment of time this year has been typesetting of non-English literature. It was necessary to typeset many pamphlets more than twice as changes were made by the various translation committees. The Basic Text was typeset in Spanish and will soon begin on the Portuguese.

**ORDER ENTRY:** Without order entry, the accounting and shipping departments could not function. All orders are received and processed by the three members of this department. Each order is entered into the computer and a packing order is produced. The follow-up on unusual orders and responding to inquiries about late, lost, returned, or misdirected orders takes a large part of staff time within the department.

**SHIPPING:** The Shipping Department is the backbone of WSO service activity. The shipping staff members have been on the job for several years now and have proven to be an efficient and accurate team. With only a few employees, the entire fellowship is supplied with literature in numerous languages, in over fifty countries.

WSO continued to use contract fulfillment services for mailing the magazine and the *Newsline*. As both of these publications have grown in circulation, the fulfillment companies have saved WSO considerable work and money.

The department is responsible for ordering all inventory items. Keeping track of stock levels and ordering are key tasks. Overall inventory levels were allowed to increase this year. In the case of the Basic Text, an over-supply is now on hand. But with the uncertainty of when

large orders will be placed for N.A. literature items, having a large inventory seems to be a prudent decision.

Over the past year, the Shipping Department has secured better rates and added more freight carrier options that have enhanced delivery capabilities to many customers.

For the last two years, the WSO has presented discussion in the *Newsline* about changing the hard plastic chip. During the past year, the Office has been seeking a local manufacturer to produce the replacement chip. In late 1989, we received and approved bids from local mold and plastics manufacturers that will enable us to proceed. The new chip will feature a design that has no gold foil stamping, but will have a raised edge, as well as raised lettering and logo. The raised portions will have a smooth finish and will be offset by an etched or textured background for contrast. This will produce a dramatic, classic style chip which will be very durable. The first production run will most likely be in the latter half of 1990. They will be phased in as they become available and the existing stock items are exhausted. **WSO will not replace the old chips in circulation with the new item when it becomes available.**

### FELLOWSHIP SERVICES

An important aspect of WSO operation is providing assistance to the fellowship at large. Although a majority of staff members are assigned to work with world service boards and committees, assistance is provided to every level of service and to a wide range of non-N.A. inquiries.

The office provides administrative, clerical, and logistical support to the conference administrative committee, the standing and ad hoc committees of the conference, the Board of Trustees and its committees, and the Joint Administrative Committee. These services include routinely handling communications (phone calls and letters), taking and preparing minutes, writing background material, reports or recommendations. Appropriate staff members attend these meetings to assist and participate as needed.

The staff makes all the physical arrangements for the meetings, including arranging much of the transportation, room assignments, supplies, equipment, and refreshments. Staff members usually bring the publications or material to be worked on or distributed. Between meetings, minutes are drafted, sent for approval, duplicated, and distributed, along with agenda material for subsequent meetings.

The WSO receives and deposits all funds contributed to the conference, pays expenses of the conference and Board of Trustees, and then submits a request for reimbursement to the conference treasurer.

Staff members are in almost daily communication with the chairpersons of the conference, trustees, and other committee leadership. Problems that arise are discussed and information is passed to all interested or involved members. The office functions in this manner as the focal point for fellowship communications. Much of this work is assigned to staff members who work efficiently with little supervision.

### PUBLIC INFORMATION SUPPORT SERVICES

The WSO staff for Public Information has one coordinator and two support staff. They provide direct support to area, regional, and world public information committees. P.I. support includes many facets, among those are attending multi-regional learning days, coordination of non-N.A. events, individual media contact support, collecting and distributing shared experience throughout the fellowship, WSC P.I. Committee operation, and assistance on development of WSC P.I. materials.

The number of trusted servants registered with the WSO involved in P.I. and phoneline work is approximately 950. Support services to these individuals and committees includes responding to specific requests for information from them, whether by phone or printed

information on the activities of other committees. The department also reviews minutes from approximately 50 area and regional committees. These are valuable tools for gathering information throughout the fellowship.

The office continues to compile the *P.I. News* on a quarterly basis. It serves as a forum for sharing information. This publication consists of upcoming events and reports of interesting P.I. efforts undertaken by area and regional committees.

The number of learning days increased again this year. These learning days are a very effective means for the fellowship to share experience and knowledge. Many areas do not have active committees and nearby learning days have sparked enthusiasm within members to get involved with P.I. in their own area. As members get more involved with P.I. in their areas, they have more questions and our P.I. department gets even busier.

Each month approximately 45 public information and phoneline committees register their trusted servants. For each of these registrations, additional information available from the office is provided. The P.I. department sends out approximately 20 information packets a month to professionals seeking additional information about our program. These addresses are being kept and will serve as the mail list for the P.I. Committee's *Newsletter to Professionals* when it is ready for publication.

All members of the WSC P.I. Committee receive a copy of correspondence generated from the office. Additionally, follow-up by WSC P.I. members with offers of further information is a frequent occurrence. Some P.I. members also offer follow-up to those who receive letters sent by the office. This helps to establish N.A. as a community-based resource, rather than an organization with headquarters in a distant city.

The office has helped to support 40 non-N.A. P.I. events this past year. That support consists of sending a display booth, as needed, literature for members to give away to participants, and any extraneous expenses for the site. Costs for the booth exhibit space are shared equally between the WSC P.I. Committee and the area or regional committee covering the event. Five display booths have been purchased this year by area and regional committees. The office has two booths available to assist at these non-N.A. events. The cost for these events has been \$20,000 from the WSO and \$5,400 from the WSC P.I. Committee.

### LITERATURE SUPPORT SERVICES

The office increased its support of the WSC Literature Committee and its projects this year. More staff assistance was required because of additional committee meetings for the steps project and two informational pamphlets. We also utilized two additional staff members in the work plan for the daily book developed by the WSCLC last April. The WSO Literature Department answers all phone calls and letters that pertain to the committee's work and projects. Questions about literature orders or shipping are handled by other support services.

During the 1989-90 conference year, the literature department received approximately 30 pieces of correspondence and about fifteen calls per week. Most of these inquiries were from regional and area literature subcommittees. Items that require a personal response are usually answered by the WSC Literature Chairperson or by staff at the chairperson's direction. The literature department also reviewed minutes from an average of 30 area and regional literature subcommittees a month.

This year, the WSC Literature Chairperson sent out somewhere between 700-1000 pages of correspondence in the form of *Fellowship Report* segments, *Newsline* articles, committee reports, minutes, and correspondence. Registered literature committees have increased from 400 to approximately 433. However, not all of these are new committees; some were inactive and re-registered as active.

Work has continued on the *It Works: How and Why* project as reported by the WSC Literature Chairperson. Both the conference and the WSO expended funds for the work done this year. The following information represents the best estimate of expense associated with this work since the beginning of 1986.

TABLE TWELVE

#### IT WORKS EXPENSE

	1986 - 1988 Estimate			1989 Estimate			
	<u>WSC</u>	<u>WSO</u>	<u>TOTAL</u>	<u>WSC</u>	<u>WSO</u>	<u>TOTAL</u>	<u>TOTALS</u>
Travel	16,015	2,408	18,423	14,417	0	14,417	32,840
Lodging	5,015	1,254	6,269	3,965	0	3,965	10,234
Meals	0	1,111	1,111	2,291	0	2,291	3,402
Copies	815	0	815	684	430	*1,114	1,929
Mtg. Rooms	717	717	1,434	0	0	0	1,434
Misc.	258	0	258	75	0	75	333
Labor	0	158,361	158,361	0	15,000	15,000	173,361
Postage	417	0	417	1,748	411	*2,159	2,576
Printing	0	61,618	61,618	0	0	0	61,618
Telephone	228	0	228	500	0	500	728
Shipping	0	17,280	17,280	0	0	0	17,280
Totals	23,465	242,749	266,214	23,680	15,841	39,521	305,735

\* Postage and copy cost include the twenty-six page report on *It Works*.

## H&I SUPPORT SERVICES

The workload in H&I support services continued to increase substantially during this past year. The H&I support staff responded to correspondence from addicts and/or professionals in an H&I setting; coordinated the WSC H&I Committee's efforts to complete its major project of this past year, *Behind The Walls*; administered the WSC H&I Committee literature fund, and assisted H&I trusted servants throughout the fellowship with questions or problems.

There are 479 registered H&I subcommittees in the fellowship, which is a considerable increase from the 362 reported last year. While these committees continue to do the bulk of H&I work, the office continues to receive an increasing amount of correspondence from addicts in an institutional setting. During this past year, the H&I department responded to over 2,000 letters from addicts and professionals, many of them from outside the U.S. The office prints and mails quarterly in excess of 10,000 copies of the WSC H&I newsletter, *Reaching Out*.

As of March 31, 1990, the H&I coordinator has disbursed, according to established policies and WSC H&I supervision, \$4,278.43 of the \$6,000 set aside by the WSC H&I Committee's budget for literature. The balance of those funds is expected to be disbursed by the middle of May. Because the requests for literature far exceed the funding available from WSC H&I, the office has provided over \$3,000 worth of literature as well.

As a result of the WSC H&I Chairperson's report to WSC '89, the conference established the WSC Ad Hoc Committee on Isolated N.A. Groups to investigate the issue of those meetings and/or groups existing in an H&I setting without direct assistance from, or not under the auspices of, a local H&I subcommittee. The H&I department assisted the work of this committee by providing information from its files, as well as clerical assistance.

## N.A. WAY MAGAZINE

As you will discover in Table Thirteen, income from subscriptions for the *N.A. Way Magazine* paid for almost all magazine expenses for the first time. For the income to come so close to the expense is grounds to say the magazine did become self-sufficient this year. With a little luck, close monitoring of expense, and a successful subscription drive, it is entirely possible that the magazine could show a profit in 1990.

The key to this turn of events has been the subscription drive we call the "group drive." This project, initiated in January 1989, eventually produced approximately 1500 new paid subscribers, or an increase of about 15%. An identical "group drive" started in January of this year has also produced a similar increase in paid subscriptions. While we expect to continue this as an annual subscription drive, it will eventually produce fewer new subscriptions. When a program like this becomes institutionalized, members fail to notice it and respond. So eventually a new subscription drive program will have to be developed. In the meantime, we will continue to seek new ways to find more readers for the magazine.

Another important aspect of the magazine is the rate of renewal of old subscribers. Because of the improvements in service quality, our renewal rate has continued to improve. In the early years, a very low renewal rate existed: less than 25%. The last renewal study revealed our renewal rate is approximately 56%. The general magazine industry average suggests a 60% rate can be expected by most special-interest magazines like ours. We should be able to improve on the renewal rate over the next year. Additional income from renewals will help improve the magazine's financial condition.

Our new editor has been busy since arriving. His first issue, out this week, features a summary history of the magazine. It will give readers a background to the early years of the magazine's approval and growth. The magazine depends on input submitted by interested members. The content is established more by the input than by intentions of the management or editorial process. We can only print what is received. We request members to continue to write stories for the magazine.

**TABLE THIRTEEN**  
**N.A. WAY MAGAZINE EXPENSES**

Month	Printer	Bindery	Ful- fillment	Mailing Labor	Contract Artwork	Labor (est)	Total Expenses	Income
Jan 89	\$2,554.00	\$600.00	\$2587.54	\$314.57	\$979.58	\$3,416.67	\$10,452.36	\$11,434.75
Feb 89	2,656.00	751.00	1300.72	282.54	939.58	3,416.67	9,346.51	13,029.25
Mar 89	4,895.00	1,128.00	3385.13	350.25	1,219.58	3,416.67	14,394.63	19,768.98
Apr 89	4,116.00	1,016	3914.98	324.92	719.58	3,416.67	13,508.15	15,887.75
May 89	3,415.00	803.00	3623.77	264.28	779.58	3,416.67	12,302.30	14,165.09
Jun 89	2,881.00	718.00	2780.60	223.35	779.58	3,416.67	10,799.20	8,613.05
Jul 89	2,872.00	712.00	1705.66	216.91	779.58	3,416.67	9,902.82	7,819.83
Aug 89	2,817.45	659.00	2814.85	210.19	779.58	3,416.67	10,697.74	9,124.30
Sep 89	2,759.00	626.00	1,449.57	214.13	779.58	3,416.67	9,244.95	8,179.50
Oct 89	2,792.00	632.00	1207.71	215.43	659.58	3,416.67	8,923.39	6,978.49
Nov 89	2,858.00	632.00	1452.98	211.90	819.58	3,416.67	9,391.13	7,399.49
Dec 89	2,792.00	616.00	1470.47	217.13	1,441.58	9,953.85	8,436.41	7,665.25
Misc.	1,849.85						1,849.85	
=====								
Total	\$39,257.30	\$8,893.00	\$27,693.98	\$3,045.60	\$10,676.96	\$41,000.04	\$130,566.88	\$130,065.73
							Year's net:	(\$-501.15)

### GROUP SERVICES

In early 1989, a staff change was made in this department. Freddie Aquino, who had been working in the Shipping Department, was reassigned to Group Services to work alongside the coordinator. During the year the coordinator was reassigned, and Freddie took on greater responsibilities. As an experienced regional chairperson, he was able to offer valuable experience, strength, and hope to the members who contacted Group Services for assistance. The department has continued to face an ever-growing volume of work. The department was recently moved to be closer to other staff members and resource files.

The Group Services Department works closely with the Data Services Department. This cooperation permits accurate recording of addresses and meeting information. The information that is received for one department frequently is needed also by the other. For example, Group Services is responsible for responding to new group registrations, yet the Data Services Department actually enters and maintains the addresses.

Other important areas of work that have increased this year are telephone inquiries and requests for starter kits. The number of letters and phone calls from around the fellowship seeking advice on one matter or another continues to increase steadily. Each written request receives a response. The subjects of such correspondence include questions about service committees, questions about N.A. groups, questions about new N.A. meetings, about how to resolve conflicts and disputes, where to get input and information about traditions, how to find service committees and other meetings.

The amount of correspondence from the department over the past year has consistently averaged 250 to 300 (a 120% increase) letters per month. In addition to the response letter, several enclosures of one type or another are also sent. These enclosures range from individual pieces of conference-approved literature or service committee handbooks to copies

of the *Newsline*, *Fellowship Report*, phonenumber numbers, registration forms, service committee guidelines, etc.

The office receives minutes from some service committees. The number of committees sending minutes changes from time to time, but there are currently about fifty committees sending minutes. These are usually read by Group Services and circulated to other departments. In reading these minutes, each department looks for input and experience in situations which can be compiled as resource material for other service committees.

Over the past year, Group Services has sent an average of 180 starter packages per month in answer to requests and group registrations. Altogether, there were over 2,100 copies of the starter kit sent out by the office.

### BOARD OF TRUSTEES ASSISTANCE

The Board of Trustees coordinator assumed her duties at the close of last year's conference. This position was created to allow better support to the members of the board than was possible in previous years. Administrative assistance has been provided for all trustees, but the coordinator worked most closely with the chairperson, vice chairperson, and subcommittee chairs. The communications register has allowed the trustees to be updated monthly about any correspondence received, phone calls made or received, and any other contacts from members of the fellowship to the board. This register also allows all members to remain up to date on issues discussed during the regular meetings of the board chairperson and WSO staff. Minutes of each board meeting are drafted, mailed to all members for review, revised, and mailed to conference participants after they are approved by the board. The trustees also receive an update of the international communications register each month, along with regular updates on translations and services, by country, worldwide.

The Additional Needs Advisory Panel to the Internal/External Subcommittee receives copies of all correspondence received at the office that relate to additional needs. During the past year, there have not been many requests for information regarding additional needs.

The WSO project coordinators have continued their involvement with the trustee subcommittees. They attend trustee subcommittee meetings and assist in the taking of minutes and development of reports for the subcommittees, in cooperation with the trustee coordinator.

### WORLDWIDE N.A. MEETINGS

For several years, the office has reported extensively on the difficulties associated with recording individual meeting information and publishing a world directory of meetings. WSO sought and received support to cease publication of a world meeting directory and began two years ago to publish a directory for telephone helplines.

A telephone directory for the international fellowship, however, is not practical. And since the number of international meetings is still small, the data can be managed and published in a directory. Accordingly, the office has prepared the international meeting directory, and it will be sent to the printers soon.

In last year's report to the conference, WSO reported that the procedure for registering groups had changed, and that we were, in effect, starting all over in getting groups registered with the WSO. We did not find staff time to actually start over. We are hopeful this project can begin this year.

Despite reluctance to produce a directory of U.S. meetings, there is still interest in that option. As WSO continued to refine the computer program written to handle the international fellowship meeting information, it kept alive the idea of returning to publishing a U.S. directory. Although there are still many factors to consider, serious discussions about this idea have taken place.

Consideration has recently been given to revising the computer program for meeting information so that it presents a user-friendly screen, then developing modem access for area

or regional committees to input or update information about their meetings. This idea will be investigated during the coming year and reported in the *Newsline*. Input on this subject will be welcomed.

However, to illustrate the complexity of meeting information complications, the following table is included. It reports the number of groups and meetings as revealed by different information sources.

The first column reports the number of groups WSO had on record on April 1, 1990. The second column discloses the number of meetings reported (if they were reported) by regions. The third column shows the number of meetings reported by the RSR in the March 1990 *Fellowship Report*. The fourth column reports the number of meetings identified in the RSR reports from 1989. These figures do not include H&I meetings, as far as we know. Because there is no requirement for RSRs to include a meeting count in their reports to the conference, some RSRs do not include those numbers.

Since 1986, when the WSO discontinued efforts to publish a U.S. meeting directory, many new groups decided not to bother sending meeting information to the office. And many established groups have neglected to send information about changes in date, time, or place of their meetings. Consequently, the information now available is greatly inaccurate. When the directory efforts were discontinued, WSO had information on approximately 16,000 meetings (although some of the information was obviously inaccurate). The fellowship was growing at over 25% each year (some of our estimates were as high as 50%).

Unfortunately, estimates of this type are now totally unreliable. We may have as few as 16,000 meetings or as many as 25,000. The information in this table reveals there are a much smaller number reported by regions, although only about half of the regions included meeting information in their reports.

**TABLE FOURTEEN**  
**MEETING REGISTRATIONS**

Region	1990 Registered with WSO Groups/Meetings		1990 Regional Reports Meetings	1989 Regional Reports Meetings
Alabama/NW Florida Region	76	163	--	175
Alaska Region	18	17	--	--
Alaska Region	80	105	--	82
Arizona Region	143	184	--	--
Australian Region	59	217	--	207
Best Little Region	31	43	--	50
Brazil Region	29	51	--	--
British Columbia Region	78	114	--	100
Buckeye Region	56	52	--	--
California Mid-State Region	43	38	135	--
Carolina Region	154	216	474	319
Central California Region	69	67	140	--
Chesapeake/Potomac Region	266	222	678	569
Chicagoland Region	226	246	300	265
Colorado Region	116	103	--	--
Connecticut Region	78	48	171	137
Florida Region	137	171	--	674
Georgia Region	89	77	350	--
German Speaking Region	15	65	56	55
Greater Illinois Region	79	189	--	--
Greater New York Region	137	139	897	735
Greater Philadelphia Region	104	117	--	--
Hawaii Region	48	33	70	70
Indiana Region	94	81	200	171
Iowa Region	86	99	200	150



Ireland Region	21	30	32	--
Israel Region	10	23	--	--
Japan Region	28	30	--	--
Kentuckiana Region	95	135	--	90
London Region	50	142	--	191
Lone Star Region	230	712	765	596
Louisiana Purchase Region	146	172	152	162
Michigan Region	270	284	500	400
Mid-America Region	106	154	--	--
Mid-Atlantic Region	80	78	192	180
Mississippi Region	33	48	--	--
Mountaineer Region	52	66	45	--
Nebraska Region	39	36	--	--
New England Region	310	261	--	460
New Jersey Region	105	90	225	370
New Mexico Region	33	37	80	--
New Zealand Region	68	76	--	70
Northern California Region	254	240	696	475
Northern New Jersey Region	81	58	--	--
Northern New York Region	147	148	175	--
OK Region	151	154	240	--
Ohio Region	131	120	--	--
Ontario Region	166	197	207	125
Oregon/S. Idaho Region	172	248	--	--
Quebec Region	163	168	191	143
Region of the Virginians	139	144	--	--
San Diego/Imperial Region	49	262	237	186
Show-Me Region	195	218	--	233
Sierra Sage Region	66	80	82	62
South Florida/Bahamas Region	118	114	350	--
South West Region	13	45	--	--
Southern California Region	181	187	445	438
Southern Nevada Region	51	20	--	--
Spain Region	10	20	14	--
Tri-State Region	193	205	237	157
Upper Midwest Region	155	154	--	--
Upper Rocky Mountain Region	68	112	--	--
Utah Region	79	53	--	--
Volunteer Region	107	122	240	--
Washington/N. Idaho Region	261	276	408	334
Wisconsin Region	105	95	300	--
Total	7042	8667	9484	8431

INTERNATIONAL

Country	1990 Registered with WSO Groups/Meetings		1990 Regional Reports Meetings	1989 Regional Reports Meetings
Argentina	1	3	--	--
Aruba	1	3	--	--
Austria	1	2	--	--
Bahrain	0	1	--	--
Bangladesh	1	1	--	--
Barbados	2	3	--	--
Belgium	3	10	--	--
Bermuda	4	4	--	--
Bolivia	1	4	--	--
Colombia	34	81	--	--
Costa Rica	2	5	--	--
Denmark	2	2	--	--

Ecuador	4	11	--	--
Egypt	1	2	--	--
El Salvador	0	2	--	--
Finland	4	4	--	--
France	20	23	--	--
Greece	4	5	--	--
Guam	2	3	--	--
Guatemala	2	9	--	--
Holland (Netherlands)	1	2	--	--
Honduras	0	1	--	--
Hong Kong	1	1	--	--
India	20	44	--	--
Ireland (Northern)	1	1	--	--
Italy	6	26	--	--
Jamaica	1	7	--	--
Kenya	1	1	--	--
Korea (South)	0	3	--	--
Mexico	11	39	--	--
Netherlands-Antillies	1	1	--	--
Newfoundland	1	1	--	--
Norway	4	6	--	--
Nova Scotia	4	29	--	--
Panama	2	14	--	--
Peru	3	16	--	--
Philippines	3	4	--	--
Portugal	10	19	--	--
Prince Edward Island	4	7	--	--
Puerto Rico	22	40	--	--
Saint Lucia	1	7	--	--
Saudi Arabia	1	0	--	--
Scotland	6	10	--	--
South Africa	2	5	--	--
Sweden	8	23	--	--
Switzerland	3	6	--	--
Trinidad	7	17	--	--
U.K. Assembly	3	9	--	--
U.S.S.R.	1	1	--	--
Uruguay	0	1	--	--
Venezuela	1	1	--	--
Virgin Islands	1	11	--	--
Yukon Territory	1	3	--	--
Total	<u>220</u>	<u>539</u>	--	--
Grand Total	7262	9205	--	--

As the chart above clearly shows, however, there is still much to be done before our records are complete and accurate. We have really just begun the process. In fact, anyone who has experienced the difficulty in maintaining an accurate list of meetings for a region or an area will realize that we will never have completely accurate records on a worldwide basis. There will always be changes each week and there will be some margin of error--perhaps a substantial margin. But the methods are now in place to keep those records as clear and accurate as we can.

Our current approach--to keep applying steady effort to update our records, making them as accurate as we can--is aimed primarily at improving communication within the fellowship. Should the need arise to communicate directly with the groups over some matter of great concern to the fellowship, we may have the ability of doing that. Mailing information is somewhat easier to keep current than meeting locations and times, so we believe that this is a realistic goal.

### What your region can do to help

We are asking each regional service representative to distribute and have returned to WSO the group registration update forms available at this conference. We hope that we can make great strides to correct the information in our computer files about each group. It would be helpful if each RSR discussed the need to continue this process at regional service meetings they attend.

Early last year, WSO mailed a memo to about one-third of all the addressees in the *Newsline* mail list. This was the first effort in several years to "clean up" the files, delete incorrect addresses, delete duplicate mailings, and things like that. It was reasonably successful. We plan to continue that process again later this year. We hope the remaining part of the old address list will get updated during the summer.

### Telephone Helpline Directory

The 1990 edition of the Telephone Helpline Directory will be available in June. This will be the third consecutive year the directory has been published. Fortunately, there have been few changes to the numbers, so it was relatively easy to verify and publish. Copies can be ordered beginning in late May.

### INDEPENDENT PROJECTS

There are a few independent projects of significance that continue each year. Because the amount of work on each project fluctuates from time to time, these projects are assigned as additional duties. These projects are normally discussed in *Newsline* articles or the *Fellowship Report*.

### Loner Group

The Loner Group has continued to expand in the past year. It now has just over 1,175 N.A. members, with 170 of them being loner members. The ratio of loners to non-loners shows the strong interest many have in sharing recovery through letters.

The Loner Group continues to help many geographically isolated N.A. members, as well as those handicapped and those serving in the armed forces, to work and understand the N.A. program. It also has helped these members receive N.A. support where there is often very little or none.

The Loner Group publication, *Meeting by Mail*, is an important part of the Loner Group. This publication enables all members of the Loner Group to participate in an N.A. meeting. *Meeting by Mail* includes excerpts of letters from loners and non-loners, editor's notes, birthday recognition, topic discussions, and other articles of interest.

One problem that we have had is members of our fellowship who are incarcerated reading *Meeting by Mail* and wanting to participate in the Loner Group. *Meeting by Mail* is not to be distributed into institutions so that we may better insure the anonymity of our members. We are continuing to do our best to gently let them know that this is not the appropriate vehicle for them to use. We strongly encourage these members to participate with the H&I newsletter, *Reaching Out*.

Letters are received every day from members who ask to be put on the Loner Group mail list so they can help carry the message, as well as from loners asking for support.

### **Assistance to Area and Regional Service Offices**

During the past year the WSO has continued to provide advice and assistance to many of the service offices. Several have experienced considerable difficulty, while others have begun operating smoothly and efficiently (at least so it appears).

Two work shops were held in the past year (Baltimore and Phoenix). Both were well attended and participation was very valuable. Although current plans include another workshop later this year, consideration has been given to a more direct hands-on work session with office boards. Discussions have centered around having future assistance provided by having WSO staff visit the cities where offices are and meeting for a full day with the complete office board of directors. This would permit more detailed discussion of the needs of the office. It might be necessary to establish a multi-year schedule and omit those offices that are functioning well.

For those areas or regions where offices are struggling, the seemingly drastic alternative of closing the office should be considered. Experience continues to show that the number of meetings necessary to sustain an office is three hundred or more. Generally, those offices that serve fewer than three hundred meetings have a hard time making ends meet. Even some of the larger offices have had to turn to extensive merchandise sales to sustain their activities.

### **WSO Catalog**

A new WSO catalog is almost ready. It has been several years since the last one was produced. A short order form was developed last year as a temporary substitute. It worked well for the short term, but the new catalog was necessary. WSO is also developing separate catalogs for use in other countries.

The board adopted a policy to approve and publish a new comprehensive price list for all inventory items in January of each year. This January publication date will permit adjustment for prices reflected in non-U.S. currencies. The rate of exchange among currencies changes constantly. Therefore, a price list that is not adjusted periodically sets the stage for either losing considerably on orders or even making extra money. By making the adjustment each year and publishing a new price list, some of this potential loss or extra gain can be minimized.

Although consideration has been given to increasing the prices of inventory items sold to the U.S. fellowship, the board has not taken specific action to do so. As this matter is given further consideration, the fellowship will be informed and invited to comment.