

WORLD CONVENTION CORPORATION

ANNUAL REPORT 1994

BOARD PERSPECTIVE

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1994 ANNUAL REPORT
WORLD CONVENTION
CORPORATION

1994 ANNUAL REPORT

WORLD CONVENTION CORPORATION

INTRODUCTION

The following is the annual report from the World Convention Corporation. The report is in three sections. The first section, "Board Perspective," is a summary of the year's corporate activities, major decisions, and some discussion of the status of board projects related to the world convention.

The next section "Convention Reports" is a summary of all the ongoing activities of the corporation regarding specific conventions. This section will include information about the previously completed convention, WCNA-23 in Chicago, as well as some information on each of the upcoming conventions, WCNA-24 in Baltimore, WCNA-25 in Paris, and WCNA-26 in St. Louis.

The final section is "Financial Information." This section contains a narrative overview of our financial picture along with the end-of-year report from the accounting system at the WSO. It is much more detailed than last year's report. As you may remember we reported last year on the floor that we would use the financial statements from the accounting system and distribute the audit report upon its completion. The audit report is still being prepared, and will not be ready until after the WSC. We have also included a summary of information that will provide participants with a more detailed picture of the income and expenses of the corporation. We have also included some information that will graphically show some of the trends connected with this event.

This report details important work that we will undertake in the immediate future. We welcome your ideas and thoughts on this work, and thank you for your interest.

Your convention corporation is committed to making the changes necessary to continue to make the world convention a singular experience. We would like to take this opportunity to thank those members who have either written or telephoned the corporation with input. That input has been considered by the WCC Board and efforts are underway to make the event the best it can be.

All comments regarding this report, our work in progress, or any requests for information should be forwarded to us in care of the World Service Office.

BOARD PERSPECTIVE

Board Composition

The board elected the following members as the Executive Committee at its December meeting: Randy Jones, Chairperson, from the Free State Region (WSO); Cary Seltzer, Vice-Chairperson, from the Chicagoland Region (WCNA-23 Host); Janis Edwards, Treasurer, from the Southern California Region (WSO); and Donald Griffin, Secretary, from the Greater New York Region (WSC elected). The remaining members of the board are: Gary Grien, from the Australia Region (WCNA-21 Host); Ron Duncan, from the Central California Region (WSC elected); Rhonda Richetta, from the Free State Region (WCNA-24 host); John Burnett, from the Mid-America Region (WSO); Bob Feneran, from the New Jersey Region (WSO); Mitchell Soodak, from the Greater New York Region (WSC Admin); and Becky Meyer, from the Northern California Region (WSB). As reported earlier this year the director from WCNA-22, Sean Sezlik, resigned from the board. At our December meeting the board elected Jay Reichbaum, from the South Florida Region to fill the remainder of this term. This election was according to section 6.05(c) of the WCC bylaws that we reported to you last year.

The board adopted a plan in 1993 to downsize the board, beginning with not seating the treasurer from the current host committee. The next step was to ask the WSO not to fill a vacant seat on the board. We will then ask the Interim Committee to not fill the seat left vacant by Janis Edwards upon her election, by the WSC, to the WSO board last year. The next step is to ask you not to elect a member at this year's conference. The target reduction was to eliminate four positions on the board. One previous host committee seat, one WSO seat, one WSC elected seat and the host treasurers' seat. The reason for the downsizing is that now that the bylaws allow the board to create committees to meet operational needs it is our belief that the size of the board can be reduced without negatively impacting the convention corporation or the event. This is in keeping with our desire to reduce operational expenses and to make the corporation more efficient.

The decision to downsize the board require changes to the bylaws of the corporation. The WCC has treated the bylaws as our internal guidelines. However, it has come to our attention that some language about board composition is stated in the *Temporary Working Guide to our Service Structure*. As a result, we understand that an action to downsize the board that affects these positions needs to be presented to the WSC for consideration. While we clearly reported our intent to implement such a measure in last year's annual report, the current language in *TWGSS* requires us to present a motion to change the *TWGSS*. We decided to wait

and present this motion at WSC'95 in order to afford us sufficient time to prepare this motion for consideration in the *Conference Agenda Report*. It is important to note that the positions which are not specified in *TWGGs* have already been eliminated. These are positions that were created by the board over the years to meet operation necessities to accommodate the change to a three-year planning cycle. Some of the remaining positions still exist but have been left vacant by request.

Inter-board Communications

Over the past year, we have had several discussions about WCC board member attendance at the WSC. The current composition of the board creates an imbalance in the access to information and interaction between us and the other boards and committees in world services. The members of our board who also serve on the WSB, WSO Board Of Directors and the WSC Administrative Committee are present at the conference each year while those WCC board members who are elected by the WSC or serve because of their election as Host Committee chairs do not attend the WSC. This difference in access to information, leaves these directors excluded from the process and less informed. At our December meeting, the board adopted an action to have all the WCC directors attend the World Service Conference. This action created some concern with some members of world services. Our sole aim is to do the best we can to serve the fellowship and we believe that this decision reflected this intent. Unless there is clear objection expressed at WSC'94, it is our intention to bring all WCC directors to WSC'95.

Convention Guidelines

The convention guidelines, which are available at the WSO, were adopted at WSC'87. They have never been amended or updated with the exception of the 1988 motion that created our current zone rotation for the world convention. The original intention of these guidelines was to provide information that would be relevant to both the world convention as well as define a general committee structure that could be useful to regions and areas in the planning of a convention. These guidelines are outdated and do not clearly or accurately define either the world convention or current practice in the fellowship. The WCC has commissioned a working group to update and rewrite these guidelines to more accurately reflect how we do business. One of our recurring problems in the planning of a world convention has been the lack of written guidelines that clearly define the roles of the WCC and the local host committee. Additionally, the bidding process and zone rotation plan in the guidelines are outdated. Therefore, the WCC has commissioned a work group of the board to propose revisions to the guidelines next year. The following discussion represents our thoughts to date on the bid process and zone rotation:

Bid Process

When the convention guidelines were adopted in 1987, this section of the guidelines reflected the corporation's practices regarding the solicitation of bids for the world convention. At that time, we were planning one convention at a time, and the size of the convention allowed us to place the event in almost any city. These days, we are planning three conventions at a time, and the size of the event has made it so that only a few cities in North America have adequate facilities. What we have found over the past six years is that more and more the WCC goes into the city behind a local bid committee and ends up doing the same work they did again. This is primarily because local bid committees can only get inquiries from the city and its facilities. Many times the system of local bid committees negotiating with hotels and convention facilities has created problems. It can be frustrating for a local bid committee and can make contract negotiations for WCC more difficult and ultimately more costly to our members. One other problem is that, often, relevant information is not included in the bid proposals. One of the other lessons that WCC has learned is that it is necessary to increase the planning time if we expect to get adequate facilities. In most North American cities, we have outgrown the meeting space available in hotels and are in a position of needing to utilize convention centers. These facilities normally require approximately five years advance booking if we are to be competitive for this space. In 1998 most of convention center facilities located in zone 6 are already booked by other groups on Labor Day weekend.

We believe that a significant change to the bidding process needs to occur. The primary change would assign the total responsibility for site research and negotiation to the WCC. Local bid committees would need only to express their willingness to act as a host site for the event. That means that their bid only would need to provide relevant fellowship information that is requested in the section of the current Convention guidelines titled, "Bidding to Host the World Convention." For example, if the event was going to rotate into a particular zone in 2000, the WCC would research all cities within that zone to determine what regions have facilities sufficient and available to house the event. All regions with available facilities would be surveyed to determine who is interested in hosting the event. The local committee would provide the WCC with written notice from the region, that the region was willing to act as a host for the event. The WCC would then send a professional and/or WCC staff into each proposed site to solicit information using a uniform criterion. The results of that work would be presented to our board, considered by the board at our fall meeting, and a decision about the site made.

Event Rotation

A motion was committed to us at WSC'93 "to include Latin America" in the zone map for world convention rotation. This motion along with ongoing discussions by the board resulted in the formation of a work group to work on proposed changes to the zone rotation plan. As most of you know, we have been following the zone rotation that was drawn at the 1988 WSC. The board plans to propose a new zone rotation plan at WSC'95 that more closely follows the zone outlined in the proposed WSC rotation plan. Although the WCC board is not taking any position on the WSC plan, we do feel that this zone map more accurately reflects what the WCC zones should look like. We also believe this plan fairly balances our goal to achieve worldwide participation at the world convention while being mindful of financial considerations. We are including the outline for that thirteen-year rotation below:

1998	Zone C: Western United States & Western Canada
2000	Zone E: Latin America
2002	Zone B: Eastern United States & Eastern Canada
2003*	Special 50th anniversary convention in Southern California.
2005	Zone F: Asia & Pacific Rim
2007	Zone A: Central United States & Central Canada
2009	Zone D: Europe & Africa

Staff Support

Over the past several years the World Convention Corporation has had limited staff management and support from the World Service Office. On average we were receiving 25% of one managers time, 60% of his assistant's time, and varying percentages of time from approximately 8 - 10 other staff members. For over two years the World Convention Corporation has wanted to have a staff manager at the WSO whose primary responsibilities were the direct support of and the day-to-day management of the WCC. In 1990 the WSO initiated a search process for a convention coordinator; however, given the tough financial times for WSO and changing priorities the office was forced to put the hiring on hold. The WCC was not in a financial position to help the WSO offset some for the expense for this employee.

In 1993 the WSO reinstated the search process and was able to hire a convention coordinator in early January, 1994. The WCC provided financial assistance to the WSO to make an immediate hiring possible. We are

extremely pleased to welcome Mike Polin from the Mid-Atlantic Region. Mike is an employee of the World Service Office, assigned to the Administrative Team, with a primary assignment to WCC. Mike will also relieve one of the current managers in the logistical planning and daily on-site responsibilities for the WSC, quarterly meetings, and other world service meetings.

Part of the reason that the WSO was willing to move on this position was that it was clear that the demands of WCC were too much to be handled on a catch-as-catch-can basis, and the amount of time required by WCC matters from one of the managers of the office was becoming more and more of a conflict. Quite simply the job was not being done as thoroughly as it should have been. The activities associated with the ongoing planning and management of WCC matters has become so complex that they require regular attention. We acknowledge that our communications to the fellowship about WCC matters have not been what they should be. Additionally, there has been a desperate need for some work to be done on our convention guidelines, corporation planning tools, local committee guidelines, and direct fellowship support services.

The direct fellowship support function that WCC used to routinely fill has suffered as well over the last several years. There just has not been sufficient time to adequately provide services such as convention workshops and convention planning assistance that are much needed. It is our hope that Mike will be able to reinstate and expand this service to a more acceptable level after he completes the initial work outlined above. We expect that the general fellowship support component will really start to take shape after the world convention moves to a two-year cycle.

Our aim is to begin to get the things completed that there has not been time to do over the last several years. We believe that the fellowship's "worldwide" celebration of recovery deserves to receive the necessary time and attention to make each convention the best it can be.

WSC Committed Motions

There were two motions committed to the WCC at last year's conference. One of the those motions, to include Latin America in the zone map, was part of the impetus for the work previously reported on event rotation. The other motion dealt with scheduling the 1998 World Convention in Colombia, South America. It is our feeling that the our current work on event rotation addresses the ideas underlying both motions.

CONVENTION REPORTS

CONVENTION REPORTS

WCNA-23

The host committee did a great job making all the attendees of the convention feel welcome. There were many lessons for the corporation that resulted from our experience in Chicago. The first lesson was that it is absolutely necessary for us to have adequate backup systems in place if, for example, a computer does not function properly. The registration process was unduly delayed by the lack of adequate backup systems.

The second lesson related to the "Taste of Recovery" event. We have received several calls asserting that the problem with the food service at this event was that the corporation was trying to make money and disregarded the members as a result. As we have previously reported, money had nothing to do with our decisions. The actual cost per person was approximately \$21.00. The approximate \$4.00 difference was applied to the \$13,000.00 that the carnival event cost. The real problem was that we gave in to pressure from members to get tickets to an event that was technically sold out. The original guarantee was for 1,500 people. As a result of demand for tickets we increased the guarantee to 2,500. However, since this decision was made at the last minute the caterer did not have adequate time to change its serving plan to accommodate the additional people. The result was long lines in the food service area. We have learned that the original plans for events either must have appropriate contingencies or stay at original levels, even if they sell out right away. It is more important to make the events enjoyable for those that get tickets than to affect the quality of the event by increasing the numbers without proper planning.

The next lesson has to do with merchandise. Since the 1990 convention we have taken a conservative approach to merchandise purchases with our intention being to sell all merchandise by the end of the weekend. As a result of our experience in Chicago, we will adjust our purchasing practices as well as modify sales hours in a effort to have merchandise for sale throughout the entire weekend.

We have received many positive comments about WCNA-23. Members loved the Unity Day and the fortieth birthday celebration despite the technical difficulties. As most of you know all the proceeds from the basket that was passed during the World Unity Day celebration at the Saturday night meeting went directly to the WSC. The WSC received \$5,341.42 from that collection. The WCC board has agreed to have the World Unity Day celebration be a standard part of the Saturday night main meeting each year at 7:20 p.m. in the local time zone of the site of the convention. In the years when the world convention is not held, Unity Day would still be observed the

first Saturday in September at 7:20 p.m. GMT. We also received many positive comments about the meetings, the Saturday night concert, the Thursday night boat ride, and the dances.

The World Convention Corporation would like to express its heartfelt thanks to the members from the Chicagoland region who were of service at WCNA-23. We would also like to thank those of you from other regions who assisted during the convention.

WCNA-24

The board of directors have been busy with the planning and implementation of WCNA-24 to be held in Baltimore, Maryland. WCNA-24 promises to be one of the biggest conventions in our history. Many activities are being planned along with the normal workshops. Four boat cruises, nightly dances and coffee houses with entertainment, a comedy show featuring an internationally known headliner, a Rhythm and Blues concert starring the Temptations and the O'Jays, and two Baltimore Orioles baseball games are among the planned activities. The workshops and meetings will primarily be held at the Baltimore Convention Center, with the main meeting Saturday night at the Baltimore Arena. The marathon meetings and dances will be held at several hotel properties.

This year we are using ten different hotels that require mail-in reservations be made through the Baltimore Housing Bureau. The use of a housing bureau will happen more frequently in the future due to the size of the convention when it is held in North America.

This year our taping and jewelry operations will be totally staffed by employees of the vendor with on-site supervision by the WCC. This change is being implemented to provide better and more efficient service to our members.

WCNA-25

We have had discussions with the EuroDisney facility located outside Paris, and expect to finalize the contracts in the Spring of 1994. The current plan calls for the convention to be centered in the EuroDisney Theme Park. This is the most reasonably priced plan that is available in the Paris area. The Paris host committee is formed and they are busy with initial plans for the convention. There was some concern that the Disney facility might not be open; however, we believe that the immediate concerns have been addressed by the facility management. Even though we believe that our concerns have been addressed, we are working on a contingency plan for the Paris convention. In this way, we will be prepared for whatever may happen. We are looking into charter transportation arrangements from several North

American major cities and will report our findings in a later report. A site visit is scheduled for the Summer of 1994.

This convention raises another issue for the board. Usually we hold our three regularly scheduled board meetings in the city where the convention is scheduled to be held. This allows us the opportunity to personally inspect the facilities as well as establish relationships with the local host committee. However, whenever the convention is outside North America we adjust the meetings. The board at its March meeting passed an action to hold at least one meeting at the site of WCNA-25.

We understand the fellowship's sensitivity to the issue of travel outside North America. However, we feel that it is not appropriate for us to dramatically change our administrative practices just because the event is scheduled to be held in a location that would make normal administration more expensive. That is what was done in 1990 and 1991 during the planning of WCNA-21. While the lack of adequate funds have hampered us in the past, the members of the board are not comfortable with the message this scenario sends to our members outside North America. The message seems to say, "We are a World Convention Corporation as long as we stay in North America." Local host committees require interaction with the WCC if they are to maximize their efforts in their planning.

Even though we understand that the level of management is quite different for this type of world convention, we still believe that the local members are entitled to the same support and assistance that any other NA community who was hosting the event would receive. We have been working hard to make the event more inclusive not less. However, at the same time, we have been working equally hard to reduce operating expenses. We are sure that by the time these decisions have to be made that we will know the proper thing to do.

WCNA-26

Bids were received from the Show-Me Region proposing the site be St. Louis, and from the Lone Star Region proposing that Dallas be the site for the convention. St. Louis was chosen as the site for this convention. The convention will use at least eight hotels and the America's Convention Center. The Adams Mark Hotel will serve as the headquarters hotel. Hotel rates have been negotiated and we are in the process currently of signing contracts. The Show-Me Region is planning to elect its chairperson in July with the rest of the committee being in place by the fall of 1994.

WCNA-27

We have begun to make inquiries about facility availability for 1998 because we expect the convention to continue its recent growth and therefore require extremely large meeting facilities. We are finding that the necessary facilities in several cities in the zone are not available over the Labor Day weekend. In the section of this report on the bid process we address this issue in more detail. As a result of our initial findings, we are expanding the window for the 1998 convention to be from June 15, 1998 until September 10, 1998. This may make it possible to get the facilities necessary to hold the event. The regions in zone 6 are hereby notified that the bids for the 1998 World Convention are due on or before July 1, 1995. Please contact the WCC Manager at the WSO for more information. Zone 6 includes the following regions: Hawaii, Northern California, Southern California, California Mid-State, Central California, San Diego Imperial, Arizona, New Mexico, Colorado, Utah, Sierra Sage, and Southern Nevada. In the present research that is being done for 1998 we are including cities that are not currently part of Zone 6 but would be part of Zone C if our motion is passed by WSC '95. This will allow us to have information available for these cities to be considered by the board.

FINANCIAL INFORMATION

FINANCIAL OVERVIEW

For the last several years the WCC has been trying to incorporate mechanisms in our hotel and facility agreements to offset our operational expenses. We've begun to offset a major portion of our lodging expense for board meetings and site visits by building complementary provisions into the agreements in the host cities. The airline discount agreements that we had last year will allow us to offset part of the airfare expense this year for either program travel or corporation travel. The site visits to the bidding cities cost us a fraction this year of what they usually cost by requiring the bidding cities to pick up the airfare and lodging expense for site visits. Eventually, we hope to completely offset these costs by using these types of measures. In 1987 the administrative expense of the corporation was \$90,000 and climbing. Given that only a small portion of that expense was to offset WSO labor expense the board moved to take immediate steps to reduce the level of corporate expense. Although there was a slight increase in corporate expense in 1989 the steps that the board took were starting to take shape. With the negative financial outcome of the 1990 convention we were forced to implement cost cutting measures.

In 1991 there was a natural reduction in corporation expenses since the convention was hosted in Australia. Board meetings were held in the US, thereby keeping corporate expenses down. Also, we reduced the number of meetings from five to two. At this time the WSO was asked to hold off billing the WCC for labor costs for two years.

In 1992 the convention corporation held three meetings; however, even though we added an additional meeting the total amount of corporate expense still decrease from earlier years.

Nineteen-ninety-three was the first year where the WCC generated a level of revenue that was sufficient to meet all the operational needs of the corporation. For the first time in over three years the corporation was able to begin to repay the WSO. We have had several discussions over the last two years about our need to become more financially responsible for the labor expense for the approximate ten WSO employees who provide some level of support to WCC each year. Even with the addition of a convention manager the WSO still has approximately nine other employees who assist with the logistical support of the corporation. With the current staff capacity concerns at the WSO, we have also begun to look at how to minimize the use of staff during the convention. Initially we were pursuing using a considerably higher level of staff in Baltimore, however, after consulting with WSO management the staff level will not be significantly increased. We will look to use local resources to augment the Baltimore event.

In 1993 the corporation held three meetings in Chicago. The majority of the lodging expense was absorbed by the hotels, and there were limited meal allowances provided by one of the hotels. The level of corporate expense stabilized at approximately \$57,000. That represented a 39% reduction in corporate expense in less than three years. This figure does not include the additional staff support provided by the WSO to the WCC that, if the WCC fully paid for, would increase this expense another \$54,000.00. This year the WCC has paid the WSO \$40,000 toward the cost of staff assigned to the corporation.

We are aware that the WCC currently has a fairly significant balance in the bank. We are also aware that this balance will rise as we come out of Baltimore. We feel it is important to note that once we enter the two year rotation plan and if the new rotation plan is approved, the world convention will only be held in North America once every fourth year. This means that every world convention held in North America will be pressed to provide income to run the corporation for a four-year period. Our administrative costs for this period will probably exceed \$300,000. We believe it is essential to keep this in mind and to plan accordingly as we accumulate money in the next few years.

1993 Corporate Travel

December Board Meeting
1992

Transportation (Air Fare, Mileage, et al)	4,067.56	
Lodging	246.80	
Meals	1,057.14	
Other (Car Rental, et al)	<u>110.14</u>	
		5,481.64

March Board Meeting 1993

Transportation (Air Fare, Mileage, et al)	5,028.07	
Lodging	12.74	
Meals	<u>1,442.74</u>	
		6,483.55

Site Visit 4/93 (WCNA - 24)

Meals		300.00
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Taping Committee Meeting
5/21

Transportation (Air Fare, Mileage, et al)		47.25
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June Board Meeting

Transportation (Air Fare, Mileage, et al)	5,255.80	
Lodging	1,509.79	
Meals	1,561.84	
Other (Car Rental, et al)	<u>421.19</u>	
		8,748.62

Taping Committee Meeting
7/93

Transportation (Air Fare, Mileage, et al)		75.90
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Site Visit 8/93 (WCNA - 23)

Transportation (Air Fare, Mileage, et al)		230.00
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WCNA - 23

Transportation (Air Fare, Mileage, et al)	8,233.95	
Lodging	31.87	
Meals (17 people)	3,968.98	
Speakers	780.00	
Other (Car Rental, Communications, et al)	<u>1,302.56</u>	
		14,317.36

Site Visit 9/93 (WCNA - 25)

Transportation (Air Fare, Mileage, et al)	1,108.92	
Lodging	965.83	
Meals	<u>519.91</u>	
		2,594.66

Site Visit 11/93 (WCNA - 26)

Transportation (Air Fare, Mileage, et al)	20.00	
Meals	<u>95.20</u>	

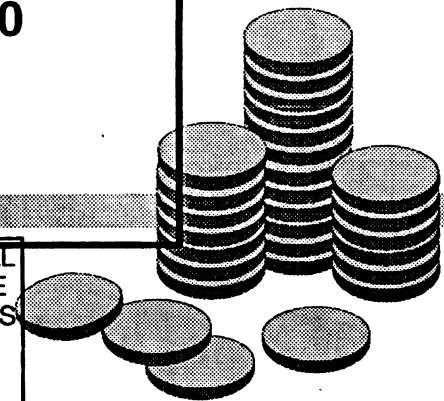
World Convention Corporation Annual Report

December Board Meeting 1993		115.20
	Transportation (Air Fare, Mileage, et al)	4,669.85
	Meals	1,760.99
	Other (Copies, et al)	224.95
		6,655.79
Other Miscellaneous Charges and Refunds		(193.01)
	Total Charged to Travel	44,856.96

WCC COMBINED SUMMARY

★ TOTAL WCNA-22 NET PROCEEDS	(\$2,335)
★ TOTAL WCNA-23 NET PROCEEDS	\$186,181
★ TOTAL WCNA-24 NET PROCEEDS	\$12,407
★ TOTAL WCNA-25 NET PROCEEDS	(\$806)
★ TOTAL WCNA-26 NET PROCEEDS	(\$183)
★ PROCEEDS POST-CONV.SALES	\$ 3334
★ TOTAL NET PROCEEDS	\$198,598
★	
★ GENERAL ADMINISTRATIVE EXPENSES	\$18,558
★ ADMINISTRATIVE TRAVEL	\$38,482
★ CONTRACT LABOR	\$1,230
★ TOTAL ADMINISTRATIVE EXPENSE	\$58,270
★ PREPAID WSO LABOR CONTRIBUTION	\$40,000
★ NET CORPORATE PROCEEDS	\$100,328

THIS TABLE SHOWS SPECIFIC FINANCIAL INFORMATION EXTRACTED FROM THE YEAR-END FINANCIAL STATEMENT. THESE ARE THE ITEMS THAT WE RECEIVE THE MOST QUESTIONS ABOUT, THEREFORE WE ELECTED TO PROVIDE IT TO CLEARLY SHOW THIS INFORMATION. FOR THE PURPOSE OF THIS SUMMARY, ALL FIGURES WERE ROUNDED TO THE NEAREST DOLLAR.

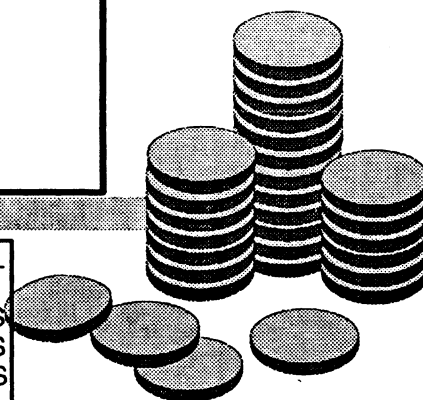


WCNA-23 SIMPLIFIED SUMMARY

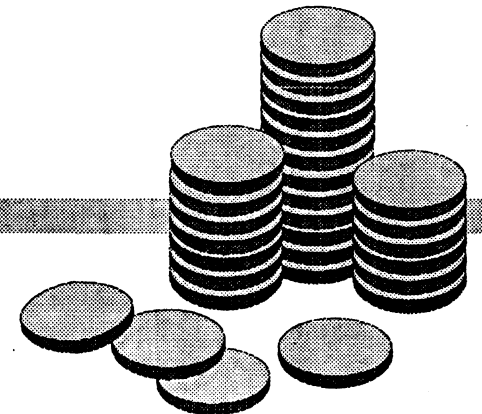
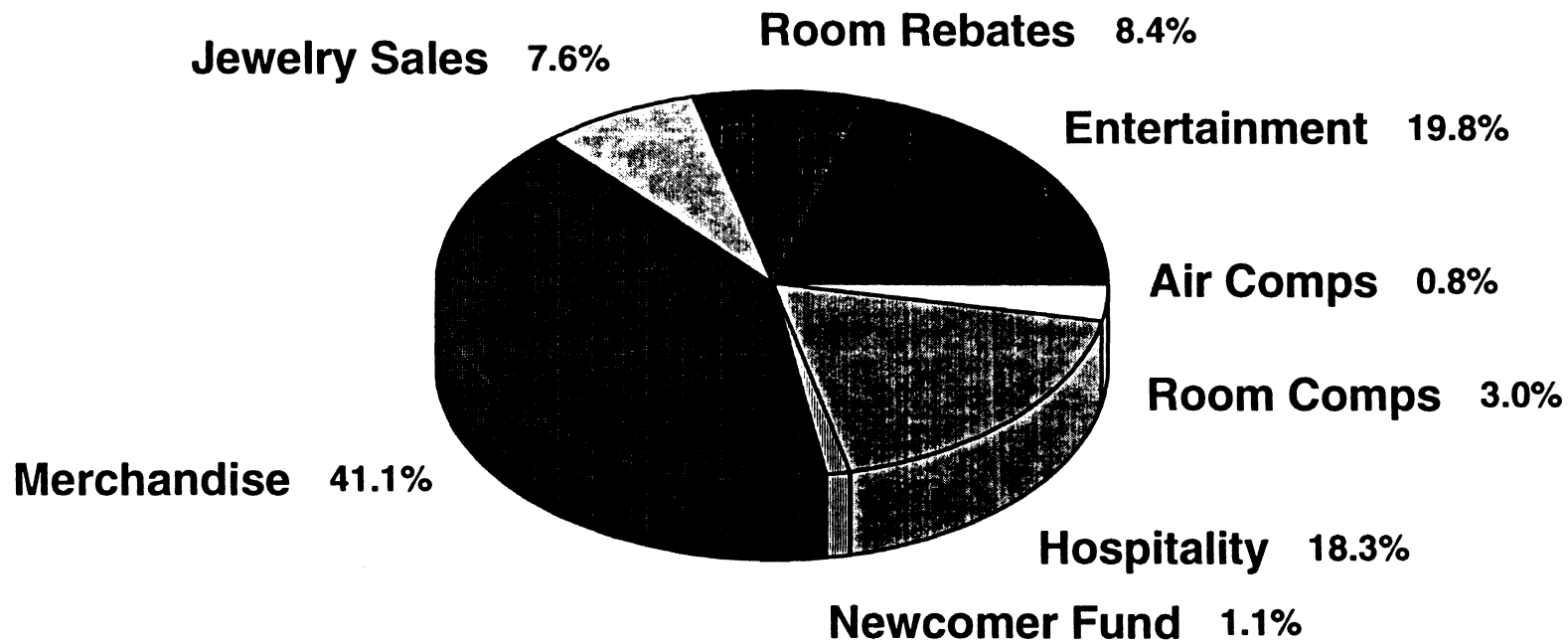
★ TOTAL HOTEL REBATES	\$34,995
★ TOTAL COMP ROOM CREDITS	\$13,419
★ TOTAL COMP AIRFARES EARNED	\$2,800
★ WCNA-23 INCOME	\$551,433
★ TOTAL INCOME	\$602,647
★	
★ WCNA-23 EXPENSES	
★ MERCHANDISING	\$147,140
★ PROGRAM	\$65,601
★ REGISTRATION	\$33,051
★ HOSPITALITY	\$69,549
★ ENTERTAINMENT	\$86,928
★ TOTAL EXPENSES	\$402,283
★ AIRLINE CERTIFICATES (7)	(\$2,800)
★ ADMINISTRATIVE	\$11,369
★ GROSS PROCEEDS	\$186,181

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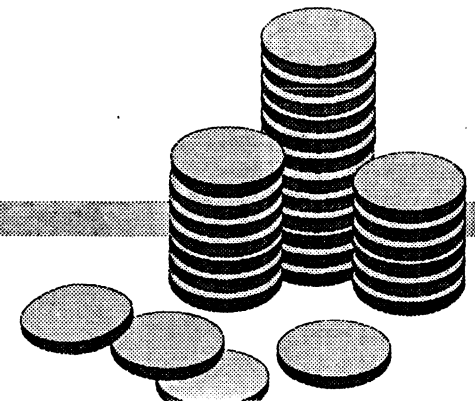
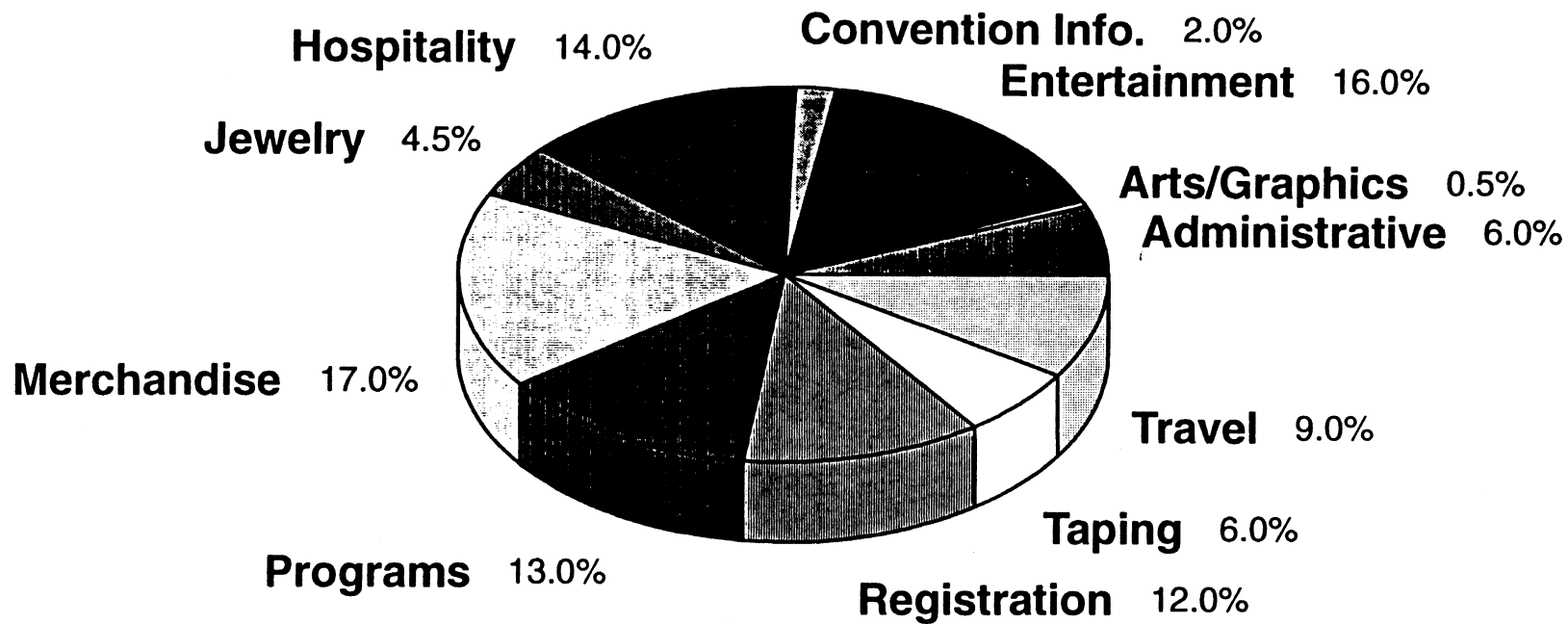
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1993 WORLD CONVENTION INCOME SOURCES



1993 WORLD CONVENTION EXPENSES



WORLD CONVENTION CORPORATION
BALANCE SHEET
DECEMBER 31, 1993

ASSETS

CURRENT ASSETS

WCC GENERAL ACCOUNT	\$35,008.48	
WCC AUXILIARY ACCOUNT	82,452.20	
WCNA-23	1,072.73	
WCNA-24 HOST COMMITTEE	12,853.07	
ACCOUNTS RECEIVABLE	4,558.08	
PREPAID WSO LABOR CONTRIBUTION	40,000.00	
INVENTORY	600.00	

TOTAL CURRENT ASSETS		176,544.56

FIXED ASSETS

COMPUTER EQUIPMENT	4,849.59	
OFFICE EQUIPMENT	20,023.26	
LESS: ACCUM DEPRECIATION	(12,344.67)	

TOTAL FIXED ASSETS		12,528.18

TOTAL ASSETS		\$189,072.74
		=====

LIABILITIES AND EQUITY

LIABILITIES

ACCOUNTS PAYABLE	7,012.94	

TOTAL LIABILITIES		7,012.94

TOTAL LIABILITIES		7,012.94

EQUITY

RETAINED EARNINGS - PRIOR	41,732.72	
RETAINED EARNINGS-CURRENT YEAR	140,327.08	

TOTAL EQUITY		182,059.80

TOTAL LIABILITIES AND EQUITY		\$189,072.74
		=====

WORLD CONVENTION CORPORATION
INCOME STATEMENT
FOR COMBINED OPERATIONS
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

+---- PERIOD TO DATE ---+ +----- YEAR TO DATE ----+
ACTUAL PERCENT ACTUAL PERCENT

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OPERATIONAL COSTS

CONTRACT LABOR	.00	.0	2,119.00	.4
MERCHANDISE	.00	.0	97,096.43	16.8
MISCELLANEOUS ENTERTAINMENT	.00	.0	7,246.57	1.3
BOAT PARTY	.00	.0	12,915.50	2.2
BLUES SHOW	.00	.0	25,553.00	4.4
CARNIVAL	.00	.0	4,010.00	.7
COMEDY SHOW	.00	.0	5,850.00	1.0
TASTE OF RECOVERY	.00	.0	56,267.08	9.7
EQUIPMENT RENTAL	.00	.0	26,861.47	4.7
EXPENDABLE SUPPLIES	.00	.0	2,380.64	.4
FACILITIES	.00	.0	23,262.12	4.0
FOOD & BEVERAGE	.00	.0	368.05	.1
JEWELRY PURCHASES	.00	.0	21,775.00	3.8
TAPING	.00	.0	29,538.53	5.1
PRINTING	205.00	26.8	17,862.70	3.1
REBATES	.00	.0	111.00	.0
REGISTRATION REFUNDS	.00	.0	83.70	.0
REGISTRATION SUPPLIES	.00	.0	14,335.83	2.5
TRANSLATIONS	.00	.0	4,854.47	.8
SHIPPING	(200.00)	(26.1)	2,838.25	.5
CONVENTION SHUTTLES	.00	.0	9,272.00	1.6
TOTAL OPERATIONAL COSTS	5.00	.7	364,601.34	63.2
GROSS PROFIT	760.79	99.3	212,603.33	36.8

GENERAL & ADMINISTRATIVE:

GENERAL & ADMINISTRATIVE EXPEN				
BAD DEBTS	.00	.0	1,382.94	.2
BANK SERVICE CHARGES	45.55	5.9	4,684.60	.8

WORLD CONVENTION CORPORATION
INCOME STATEMENT
FOR COMBINED OPERATIONS
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	+--- PERIOD TO DATE ---+		+----- YEAR TO DATE ----+	
	ACTUAL	PERCENT	ACTUAL	PERCENT
GENERAL & ADMINISTRATIVE EXPEN	(Continued)			
COMPUTER SUPPLIES	\$.00	.0 %	235.95	.0
CONVERSION GAIN/LOSS	(17.22)	(2.2)	51.98	.0
DUES & FEES	24.50	3.2	190.75	.0
INSURANCE	.00	.0	100.00	.0
MISCELLANEOUS	.00	.0	188.61	.0
OFFICE EXPENSE	83.35	10.9	4,895.47	.8
POSTAGE & SHIPPING	571.04	74.6	8,486.06	1.5
RENT	.00	.0	699.53	.1
TAXES	.00	.0	(437.30)	(.1)
TELEPHONE	193.83	25.3	5,715.84	1.0
TRAVEL	5,864.12	765.8	44,856.96	7.8
TOTAL GENERAL & ADMINISTRATIVE	6,765.17	883.4	71,051.39	12.3
INCOME (OTHER)				
MISC INCOME	-(38.00)	(5.0)	52.00	.0
CONTRACT LABOR	.00	.0	1,172.86	.2
TOTAL INCOME (OTHER)	(38.00)	(5.0)	1,224.86	.2
TOTAL GENERAL & ADMINISTRA	6,727.17	878.5	72,276.25	12.5
NET INCOME FROM OPERATIONS	(5,966.38)	(779.1)	140,327.08	24.3
EARNINGS BEFORE INCOME TAX	(5,966.38)	(779.1)	140,327.08	24.3
NET INCOME (LOSS)	\$(5,966.38)	(779.1)%	140,327.08	24.3

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR ADMINISTRATIVE
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	+---+ PERIOD TO DATE ---+ +-----		YEAR TO DATE ---+ +-----	
	ACTUAL	PERCENT	ACTUAL	PERCENT
INCOME				
MERCHANDISING	\$5.68	.8 %	5.68	.2
SHIPPING	.00	.0	(42.46)	(1.2)
JEWELRY	70.06	9.6	96.06	2.7
POST CONVENTION SALES	656.47	89.7	3,579.04	100.3
LITERATURE	.00	.0	(68.70)	(1.9)
TOTAL INCOME	732.21	100.0	3,569.62	100.0
OPERATIONAL COSTS				
MERCHANDISE	.00	.0	(120.70)	(3.4)
SHIPPING	.00	.0	356.74	10.0
TOTAL OPERATIONAL COSTS	.00	.0	236.04	6.6
GROSS PROFIT	732.21	100.0	3,333.58	93.4
GENERAL & ADMINISTRATIVE:				
GENERAL & ADMINISTRATIVE EXPENSE				
BAD DEBTS	.00	.0	1,382.94	38.7
BANK SERVICE CHARGES	25.00	3.4	3,506.46	98.2
CONVERSION GAIN/LOSS	(17.22)	(2.4)	(59.35)	(1.7)
DUES & FEES	.00	.0	166.25	4.7
OFFICE EXPENSE	.00	.0	2,342.39	65.6
POSTAGE & SHIPPING	247.29	33.8	6,897.21	193.2
TAXES	.00	.0	(437.30)	(12.3)
TELEPHONE	236.83	32.3	4,758.89	133.3
TRAVEL	5,680.86	775.9	38,482.36	*****
TOTAL GENERAL & ADMINISTRATIVE	6,172.76	843.0	57,039.85	*****
INCOME (OTHER)				
MISC INCOME	.00	.0	57.00	1.6
CONTRACT LABOR	.00	.0	1,172.86	32.9
TOTAL INCOME (OTHER)	.00	.0	1,229.86	34.5
TOTAL GENERAL & ADMINISTRATION	6,172.76	843.0	58,269.71	*****
NET INCOME FROM OPERATIONS	(5,440.55)	(743.0)	(54,936.13)	*****
EARNINGS BEFORE INCOME TAX	(5,440.55)	(743.0)	(54,936.13)	*****
NET INCOME (LOSS)	\$(5,440.55)	(743.0)%	(54,936.13)	*****

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 22 - CANADA
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	+--- PERIOD TO DATE ---+		+----- YEAR TO DATE -----+	
	ACTUAL	PERCENT	ACTUAL	PERCENT
INCOME				
BANQUET	\$.00	.0 %	(90.00)	(7.5)
LIVE ENTERTAINMENT	.00	.0	(48.00)	(4.0)
COMEDY SHOW	.00	.0	(27.00)	(2.2)
MERCHANDISING	.00	.0	(50.14)	(4.2)
PRE-REGISTRATION	.00	.0	(75.00)	(6.2)
POST CONVENTION SALES	.00	.0	1,133.85	93.9
TAPE SALES	.00	.0	363.29	30.1
	-----	-----	-----	-----
TOTAL INCOME	.00	.0	1,207.00	100.0
OPERATIONAL COSTS				
MERCHANDISE	.00	.0	2,777.58	230.1
REFUNDS & ALLOWANCES	.00	.0	111.00	9.2
REGISTRATION REFUNDS	.00	.0	46.50	3.9
TRANSLATIONS	.00	.0	542.47	44.9
	-----	-----	-----	-----
TOTAL OPERATIONAL COSTS	.00	.0	3,477.55	288.1
	-----	-----	-----	-----
GROSS PROFIT	.00	.0	(2,270.55)	(188.1)
GENERAL & ADMINISTRATIVE:				
GENERAL & ADMINISTRATIVE EXPEN				
POSTAGE & SHIPPING	.00	.0	69.81	5.8
	-----	-----	-----	-----
TOTAL GENERAL & ADMINISTRATIVE	.00	.0	69.81	5.8
INCOME (OTHER)				
MISC INCOME	.00	.0	(5.00)	(.4)
	-----	-----	-----	-----
TOTAL INCOME (OTHER)	.00	.0	(5.00)	(.4)
	-----	-----	-----	-----
TOTAL GENERAL & ADMINISTRA	.00	.0	64.81	5.4
	-----	-----	-----	-----
NET INCOME FROM OPERATIONS	.00	.0	(2,335.36)	(193.5)
	-----	-----	-----	-----
EARNINGS BEFORE INCOME TAX	.00	.0	(2,335.36)	(193.5)
	-----	-----	-----	-----
NET INCOME (LOSS)	\$.00	.0 %	(2,335.36)	(193.5)
	=====	=====	=====	=====

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 23 - CHICAGO
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

+--- PERIOD TO DATE ---+ +----- YEAR TO DATE -----+
ACTUAL PERCENT ACTUAL PERCENT

INCOME

TASTE OF RECOVERY	\$25.00	12.7 %	72,112.71	13.1
BOAT PARTY	410.00	208.1	16,197.00	2.9
BLUES SHOW	.00	.0	46,193.00	8.4
COMEDY SHOW	.00	.0	20,268.00	3.7
GENERAL REGISTRATION	.00	.0	68,957.94	12.5
MERCHANDISING	.00	.0	169,323.88	30.7
MISCELLANEOUS	(38.00)	(19.3)	(38.00)	.0
NEWCOMER FUND	.00	.0	4,551.41	.8
PRE-REGISTRATION	.00	.0	82,395.50	14.9
SHIPPING	(200.00)	(101.5)	(400.00)	(.1)
JEWELRY	.00	.0	30,906.35	5.6
TAPE SALES	.00	.0	41,017.63	7.4
LITERATURE	.00	.0	(52.67)	.0
TOTAL INCOME	197.00	100.0	551,432.75	100.0

OPERATIONAL COSTS

CONTRACT LABOR	.00	.0	2,119.00	.4
MERCHANDISE	.00	.0	93,582.75	17.0
MISCELLANEOUS ENTERTAINMENT	.00	.0	7,246.57	1.3
BOAT PARTY	.00	.0	12,915.50	2.3
BLUES SHOW	.00	.0	25,553.00	4.6
CARNIVAL	.00	.0	4,010.00	.7
COMEDY SHOW	.00	.0	5,850.00	1.1
TASTE OF RECOVERY	.00	.0	56,267.08	10.2
EQUIPMENT RENTAL	.00	.0	26,786.84	4.9
EXPENDABLE SUPPLIES	.00	.0	2,361.74	.4
FACILITIES	.00	.0	18,978.12	3.4
FOOD & BEVERAGE	.00	.0	368.05	.1
JEWELRY PURCHASES	.00	.0	21,775.00	3.9
TAPING	.00	.0	29,538.53	5.4
PRINTING	(95.00)	(48.2)	16,312.70	3.0
REGISTRATION REFUNDS	.00	.0	37.20	.0
REGISTRATION SUPPLIES	.00	.0	14,335.83	2.6
TRANSLATIONS	.00	.0	4,312.00	.8
SHIPPING	(200.00)	(101.5)	2,260.58	.4
CONVENTION SHUTTLES	.00	.0	9,272.00	1.7
TOTAL OPERATIONAL COSTS	(295.00)	(149.7)	353,882.49	64.2

GROSS PROFIT	492.00	249.7	197,550.26	35.8
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GENERAL & ADMINISTRATIVE:

GENERAL & ADMINISTRATIVE EXPEN				
BANK SERVICE CHARGES	.00	.0	939.29	.2
COMPUTER SUPPLIES	.00	.0	235.95	.0
CONVERSION GAIN/LOSS	.00	.0	111.33	.0
DUES & FEES	24.50	12.4	24.50	.0

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 23 - CHICAGO
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	----- PERIOD TO DATE ----	----- YEAR TO DATE ----
	ACTUAL PERCENT	ACTUAL PERCENT
GENERAL & ADMINISTRATIVE EXPEN	(Continued)	
INSURANCE	\$.00 .0 %	100.00 .0
MISCELLANEOUS	.00 .0	188.61 .0
OFFICE EXPENSE	83.35 42.3	2,039.49 .4
POSTAGE & SHIPPING	.00 .0	838.22 .2
RENT	.00 .0	579.53 .1
TELEPHONE	.00 .0	931.95 .2
TRAVEL	.00 .0	5,380.60 1.0
TOTAL GENERAL & ADMINISTRATIVE	107.85 54.7	11,369.47 2.1
INCOME (OTHER)		
MISC INCOME	(38.00) (19.3)	.00 .0
TOTAL INCOME (OTHER)	(38.00) (19.3)	.00 .0
TOTAL GENERAL & ADMINISTRA	69.85 35.5	11,369.47 2.1
NET INCOME FROM OPERATIONS	422.15 214.3	186,180.79 33.8
EARNINGS BEFORE INCOME TAX	422.15 214.3	186,180.79 33.8
NET INCOME (LOSS)	\$422.15 214.3 %	186,180.79 33.8

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 24 - BALTIMORE
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	PERIOD TO DATE	PERCENT	YEAR TO DATE	PERCENT
	ACTUAL		ACTUAL	
INCOME				
MERCHANDISING	\$.00	.0 %	1,250.00	6.0
PRE-REGISTRATION	.00	.0	19,745.30	94.0
TOTAL INCOME	.00	.0	20,995.30	100.0
OPERATIONAL COSTS				
MERCHANDISE	.00	.0	856.80	4.1
EQUIPMENT RENTAL	.00	.0	74.63	.4
EXPENDABLE SUPPLIES	.00	.0	18.90	.1
FACILITIES	.00	.0	4,284.00	20.4
PRINTING	300.00	.0	1,550.00	7.4
SHIPPING	.00	.0	220.93	1.1
TOTAL OPERATIONAL COSTS	300.00	.0	7,005.26	33.4
GROSS PROFIT	(300.00)	.0	13,990.04	66.6
GENERAL & ADMINISTRATIVE:				
GENERAL & ADMINISTRATIVE EXPEN				
BANK SERVICE CHARGES	20.55	.0	238.85	1.1
OFFICE EXPENSE	.00	.0	513.59	2.4
POSTAGE & SHIPPING	323.75	.0	680.82	3.2
RENT	.00	.0	120.00	.6
TELEPHONE	.00	.0	25.00	.1
TRAVEL	.00	.0	5.00	.0
TOTAL GENERAL & ADMINISTRATIVE	344.30	.0	1,583.26	7.5
TOTAL GENERAL & ADMINISTRA	344.30	.0	1,583.26	7.5
NET INCOME FROM OPERATIONS	(644.30)	.0	12,406.78	59.1
EARNINGS BEFORE INCOME TAX	(644.30)	.0	12,406.78	59.1
NET INCOME (LOSS)	\$(644.30)	.0 %	12,406.78	59.1

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 25 - PARIS
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	+--- PERIOD TO DATE ---+		+--- YEAR TO DATE ---+	
	ACTUAL	PERCENT	ACTUAL	PERCENT
GROSS PROFIT	\$.00	.0 %	.00	.0
GENERAL & ADMINISTRATIVE:				
GENERAL & ADMINISTRATIVE EXPEN				
TRAVEL	.00	.0	805.74	.0
TOTAL GENERAL & ADMINISTRATIVE	.00	.0	805.74	.0
TOTAL GENERAL & ADMINISTRA	.00	.0	805.74	.0
NET INCOME FROM OPERATIONS	.00	.0	(805.74)	.0
EARNINGS BEFORE INCOME TAX	.00	.0	(805.74)	.0
NET INCOME (LOSS)	\$.00	.0 %	(805.74)	.0

WORLD CONVENTION CORPORATION
STATEMENT OF OPERATIONS
FOR WCNA 26 - ST. LOUIS
FOR THE 12 PERIODS ENDED DECEMBER 31, 1993

	+---+ PERIOD TO DATE ---+	+---+ YEAR TO DATE ---+
	ACTUAL PERCENT	ACTUAL PERCENT
GROSS PROFIT	\$.00 .0 %	.00 .0
GENERAL & ADMINISTRATIVE:		
GENERAL & ADMINISTRATIVE EXPEN		
TRAVEL	183.26 .0	183.26 .0
TOTAL GENERAL & ADMINISTRATIVE	183.26 .0	183.26 .0
TOTAL GENERAL & ADMINISTRA	183.26 .0	183.26 .0
NET INCOME FROM OPERATIONS	(183.26) .0	(183.26) .0
EARNINGS BEFORE INCOME TAX	(183.26) .0	(183.26) .0
NET INCOME (LOSS)	\$(183.26) .0 %	(183.26) .0