



Foreword

NA World Services, Inc., 2002 Annual Report

The theme of the World Service Conference this year was *"Coming Together: The Voice of NA."* Much has transpired in the time since the conference took place on 28 April-4 May. NA's 29th World Convention, in Atlanta, Georgia, USA, occurred from 4-7 July; in addition, many projects approved by the Conference have surged ahead. It seems very appropriate to continue the theme of this year's conference, *"Coming Together: The Voice of NA,"* throughout this annual report.

The period covered by this report is our fiscal year, 1 July 2001-30 June 2002. Much of the narrative and human data we'll report will continue past 30 June right up to the writing of this report to keep you as informed as possible.

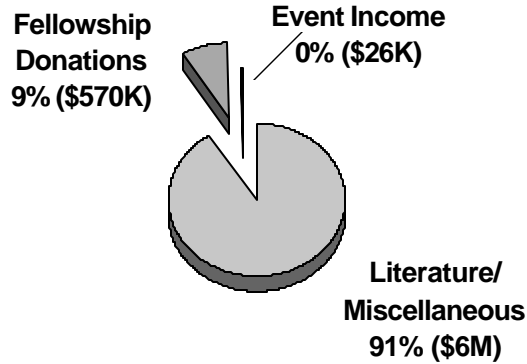
This year has truly been a historic year and a benchmark in the development of Narcotics Anonymous World Services. This fiscal year represents the second half of our first-ever biennial conference cycle. It finds us right between two world conventions: Atlanta, 2002, and San Diego, 2003. Hosting a conference so unlike any other in response to the fellowship's wishes that the WSC be more discussion based, and hosting two world conventions in two consecutive years, culminating in our fellowship's fiftieth anniversary celebration in July 2003, has taxed our resources to their limits. The support of the fellowship for both the World Board and the staff have made these accomplishments possible. Just as any machine depends on the function of its parts, in our organic machine the World Service Conference, the World Board, the staff, and the Fellowship of Narcotics Anonymous must come together as the voice of NA in order to make real our vision. We feel that the 2001-02 fiscal year is a shining example of this kind of teamwork, with all of us working together to fulfill a shared vision.

Annual reports, as a general rule, tend to be rather dry, weighty documents. While a certain measure of clear and comprehensive data is necessary so that our members can monitor our finances and ensure that we remain accountable to them, we also want to make this report informative and believe it or not, interesting, for our general membership. The activities of NA World Services, both here at home at WSO-Chatsworth, and around the world in workshops, conventions, and development trips should come to life in this report so that any reader can get a feel for what NA World Services is about and how we are interacting and communicating with the people who matter most to us: the members of the fellowship of Narcotics Anonymous. In order to accomplish this we've stretched a couple of rules and tried to push the boundaries a bit here and there. We encourage you to give us feedback on this report because it is to please you, the reader, that we are taking risks and trying to enliven these pages. We need to know where we have succeeded and where we need improvement so that we can report more effectively about our efforts to serve the needs of the fellowship we all love and owe so much too.

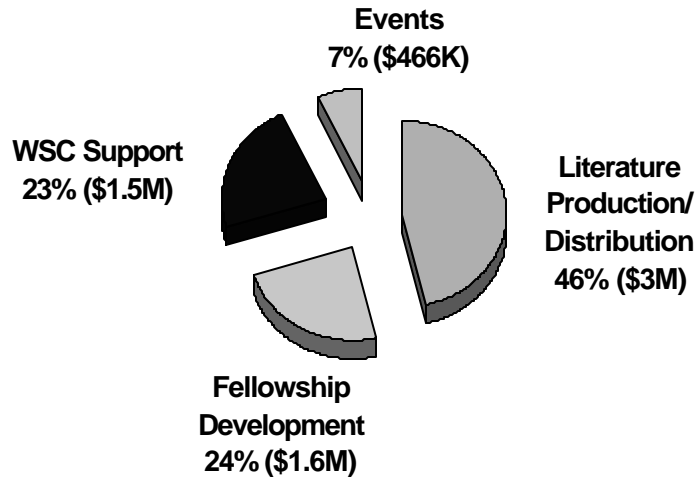
Our headlights during these days of innovation, change, and growth have been the NA World Services Vision Statement, and the WSC Mission Statement. With the clarity of the light provided by these two beams it would be hard to go too far off track. We so appreciate the opportunity to serve, and we hope to never lose sight of the powerful vision we all share.

Where Does Our Money Come From
Breakdown of Total Income \$6,630,396
1 July 2001 - 30 June 2002

[**Excludes Deferred Convention Income]



Where Does Our Money Go
Breakdown of Total Expenses of \$6,653,884
1 July 2001 - 30 June 2002



Total Gain/Loss
\$-23,488

(**Loss due to approximately \$466K WCNA-29 expenses paid in this fiscal year. For more information, please see pages 53-62 in the Financial Reports section.)



From Your World Board

It is an exciting time for us, your World Board, to serve the Fellowship of Narcotics Anonymous. Our purpose as a board is stated quite clearly: *"to contribute to the continuation and growth of Narcotics Anonymous."* It is our privilege and responsibility to try to ensure that the necessary support services are available to help the fellowship carry our message to the addict who still suffers. In this brief report we will not only look back at what has occurred during the past year, we also look forward to the coming year—potentially one of the most moving periods for us all, as our fellowship approaches its fiftieth anniversary.

Within the past year from 1 July 2001-30 June 2002, we have experienced many changes and have taken some major steps to assure NA's continuation and growth. The NA World Services Vision Statement states:

"NA communities worldwide and NA World Services work together in a spirit of unity and cooperation to carry our message of recovery."

That statement truly describes the goals we have aimed for this year. We have had successes and experienced some frustrations, but despite any setbacks, we moved forward relentlessly. It is our hope that, after reading this annual report, you will agree with us that it is indeed an exciting time to be a member of Narcotics Anonymous.

Development and makeup of the World Board

When we look at the board's developmental history, we see that whenever we have reached a certain stage of progress, we realize that it has been a solid stepping-stone on our path to achieving our common vision. In 1998 the fellowship, through the conference, restructured NA World Services by replacing our old organizational setup and electing a new World Board. We used part of that first year just defining for ourselves what it meant to be a World Board in this new system. Everything from our own internal structure, to laying out other components of the new system, to the work left over from the reorganization had to be prioritized, and a plan had to be devised for implementing those priorities. In the three years since, much has transpired: the Communications Task Force project in 1999, the implementation of the two-year conference cycle, full delegate funding, the adoption of new ways of dealing with items up for fellowship and conference approval, the first Worldwide Workshops in 2001. Through all these things the new structure took shape and became a reality. At the same time the fellowship spoke clearly about its desire to have something new written on sponsorship. It also became clear that a decision had to be made about whether or not to revise the Basic Text and the Little White Booklet. Along the way, we started to utilize work groups to help us do our work and in 2000 we began to move into the committee system.

Our initial experience with the committee system confirmed what we already knew: that there was far, far too much work to be done by the board members alone and that work groups needed to be formed to help us accomplish our tasks. Since the beginning, we utilized the World Pool whenever possible to find members who could help us do our work. One of our earliest decisions was that every project and undertaking was a World Board task, not something that belonged to any of our committees. As we sought to find the balance between effective delegation and accountability, we realized that we needed to find and learn some new ways of doing our work, or burn-out would be inevitable. While we had initially believed ourselves to be an administrative board, we saw that we had to learn how to be a strategic board in order to do the planning necessary to accomplish our mission. We sought outside assistance to help us reach this objective.

We knew that the foundation for any real planning had to be both the NA World Service Vision Statement and the primary mission of the board: to ensure the continued growth of NA. With the help of an outside consultant, we learned that a strategic board has to be able to adjust course rapidly and navigate the seas consistently, be they stormy or calm. In this past year we spent a lot of time laying the foundation for becoming a strategic board. However, as we stated above, such a board needs to maintain course through whatever it faces. This past year has certainly seen some rough seas, from the overwhelming schedule of having four worldwide workshops, the first two-year conference, one of the largest conventions in NA just sixty days after that conference, as well as the first-ever embezzlement at our World Service Office—all of this and much, much more occurring in a very short time frame. We believe, however, that despite any and all obstacles, we are well on our way to becoming a strategic board.

During our initial phase of development as a board (our administrative period, if you will) the board had more members—19 at the start of this year with one board member resigning in January to accept a position with the World Service Office. Five more board members' terms were completed at the August 2002 board meeting. WSC 2002 had confidence in one member, electing Jim B from Illinois to the board with his term officially beginning at the August 2002 board meeting. We are grateful that we had already begun moving toward becoming a strategic board—one that plans and delegates. The simple math will tell you that there are currently 14 members on the board. Each candidate needs to receive a 60% majority to be seated. Electing one person to the board seemed problematic for the delegates. With the election of only one, and with no flaws in the voting process, WSC 2002 asked the board to review the election procedures. The board will do this. However, while it is true that the board is improving its strategic board skills, we still need members to help fulfill NA's vision statement. The board can and will function adequately with 14 seated members and, we hope, will achieve our objectives. Our concern would be that if the trend continues of more members completing their term than new members voted on, we will reach a point through attrition where we will not have enough manpower to function at full capacity.

We met five times during the past fiscal year. All board members attended other meetings, as required, to work on board and world services projects. Project work groups also included members of the fellowship, most of whom were selected from the World Pool. The board operates legally under a set of corporate bylaws contained in its External Guidelines. Day-to-day NAWS operations are supervised by WSO executive management and carried out by the staff. The World Board is a resource to the fellowship; the committees are considered a resource to the WB; and the WSO staff is a resource to the WB, its committees, and the NA Fellowship.

2001—2002: A year of challenge and growth

The growing call for worldwide workshops and their subsequent success is a prime example of unity and cooperation in carrying our message of recovery throughout the world. We think it very appropriate that our theme for this annual report is "Coming Together: The Voice of NA," because nowhere is that more obvious than at a worldwide workshop. These workshops have provided us with a wonderful, intimate interface with specific NA communities in a way that has never existed before. In this past year we went on the road and conducted four workshops: Vancouver, British Columbia, Canada; Wellington, New Zealand; Chicago, Illinois, USA; and São Paulo, Brazil, just 30 days before the conference. In addition, we were to have a workshop in the United Kingdom, but the tragedy of 11 September 2001 led us to postpone that event. At the conference we presented a plan that called for the postponed event in the UK as well as four more worldwide workshops, to take place in these next two years, and we received numerous requests from delegates from various communities that we hold workshops in their regions. The Birmingham, England, UK,



worldwide workshop took place in late August 2002. These worldwide workshops present a unique opportunity for your world services to meet the local fellowship, provide accurate information about who we are and what we do, learn about local needs, and engage in workshops and discussions that address areas of global and local concern. We firmly believe that these workshops will continue to provide an opportunity for direct, face-to-face interaction between us and the fellowship we are privileged to serve.

A word of thanks

We want to take a moment to acknowledge and thank each and every one of our World Pool members. We are grateful for those who were called upon during this year to participate in work groups and gave so freely of their time and skills, but we are also grateful for each and every NA member who has submitted a World Pool resume and is willing to serve. We couldn't do it without you, and tip our hat to you in gratitude.

Service workshops at WCNA

In the same way that we have tried new things via the worldwide workshops, we took a very similar approach to workshops on service-related topics at our World Convention. Most service workshops in the past have been ways to provide information mainly "one-way," the speakers or presenters provided information but there was very little interactivity between the speakers and the audience. We decided to make all of our service workshops far more interactive by organizing small discussion groups to focus on specific topics or questions, then report back to everyone present about their discussions. Most participants commented that they preferred this format as it allowed them to not only discuss issues that were of interest to them, but also meet people from all over the world, hear their perspectives, and find some common solutions. For us, more than anything else it was a learning experience as we tried new methods and made adjustments along the way.

The first fully new WSC

To go along with the changes listed above, this past WSC was the first with the full "two-year conference cycle." Briefly, what that means is that it was the first conference where we reported on two years of activity, presented project plans for the following two-year cycle, and attempted to make the conference discussion-based rather than motion-driven. To prepare for it, the *Conference Agenda Report* was drastically different, in that it only contained those items that were of interest to our groups. Additionally, 90 days before the conference, we sent a packet of material to delegates from all the regions containing material that would need to be acted upon at the conference. This packet included items like a revision resulting in the new *Guide to World Services in Narcotics Anonymous*, the new project plans, and the budget for the coming conference cycle.

This was also the first conference where all delegates were fully funded—meaning that their travel costs, including lodging and meals, were funded by NAWS. Part of the original reason for this idea was to equalize access to the conference and ensure the participation of all the seated regions, regardless of their ability to pay. This is something that we are all responsible to ensure. The average cost for travel-related expenses for 96 delegates was \$1,415 per delegate, with overall conference expenses costing closer to \$2,500 per delegate. This is, most certainly, in keeping with the second point in our vision statement, and ensures that the collective voice of NA is heard at the conference.

The conference layout was also drastically different, with all sessions except the business portions taking place in a room that was far more informal than in previous years, set up with circular tables, used by small groups addressing a wide variety of topics. The business session layout was also quite different, allowing for all participants to hear each other and conduct "business" in a different way. Again, it was a great learning experience, one that we walked away from knowing that we have far to go to achieve the vision we share. We learned from both sides of the room and will continue to refine the format.

These changes in how we interact with the fellowship are very important but by no means exclusive tools that will help carry us towards our vision. We need look no farther than the NAWS long-term goals that were developed when we worked on our strategic planning framework. The five goals we determined concerning the services we provide are:

- ◆ To be a trustworthy leader, with the foresight to identify trends and issues affecting the fellowship and the ability to develop innovative solutions to address them.
- ◆ To be a reliable resource for information about Narcotics Anonymous recovery and access to the recovery process.
- ◆ To be the spokesperson for the interests and concerns of Narcotics Anonymous and the issues that further our vision.
- ◆ To create and distribute products and services that meet changing fellowship needs.
- ◆ To foster a worldwide community of members with unity of purpose and a keen sense of mutual accountability and support.

A major internal challenge

We learned that a long-time employee had embezzled approximately \$290,000 from NA World Services. Another member of staff discovered the theft. When the embezzler was confronted with the evidence, she admitted stealing about \$50,000. We immediately terminated her employment with us.

We worked with our attorneys, our auditors, and the insurance company to resolve this matter and try to ensure, to the best of our ability, that it does not happen again. In addition to implementing stronger internal controls, such as redefining job responsibilities and redirecting bank statements, our auditing contract has been modified to cover more outside oversight, including external spot checks by the independent auditor of our cash accounts on a random basis.

We had a representative of our auditing firm present at the World Service Conference to answer questions from conference participants. We believe that this session helped the conference to better understand what had occurred.

We are pleased to report that we maintain an employee embezzlement insurance policy and received reimbursement that covered our loss, less our \$2,500 deductible. This payment was not received until after the close of the fiscal year being covered in this report.

Any decisions regarding prosecution in this matter will be made outside of NAWS. We will comply with any requests made of us to the best of our ability.



Narcotics Anonymous[®]

**WCNA-30, 3-7 July 2003: A celebration of the first 50 years**

We are excited about the convention coming up next summer in San Diego, California, USA. It will be the opportunity for us to host a celebration of our fellowship's fiftieth anniversary. We are expecting it to be the largest convention ever held by Narcotics Anonymous, and we are making plans as this is being written to ensure that the convention gives us a chance to reflect upon where we have come from as a fellowship, savor where we are in the present, and look with great hope and anticipation to the future. We shall begin to accept registrations online on 1 December, and we hope to have registration flyers out to the fellowship by or about that date.

In conclusion, we are excited about the changes that are occurring and reaffirm our commitment to you that in whatever we do, we shall hold the needs of the fellowship, current and future uppermost in our minds and hearts. Thank you for allowing us the privilege of serving you.

Your World Board

The membership of the World Board is as follows:

Board Member	Year Elected	Current Term Ends	From City/State/Country
Saul Alvarado	2000	2006	Panama City, Panama
Bella Blake	1998	2004	Victoria, Australia
Susan Chess	1998	2004	Washington, United States
Lib Edmonds	1998	2004	Christchurch, New Zealand
Giovanna Ghisays	2000	2006	Cartagena, Colombia
Ron Hofius	2000	2006	New Mexico, United States
David James	2000	2006	Manchester, England
Bob Jordan	2000	2006	Florida, United States
Stephan Lantos	1998	2002	California, United States
Claudio Lemionet	1998	2002	Mexico City, Mexico
Tom McCall	2000	2006	Hawaii, United States
Michael McDermott	1998	2002	California, United States
Jane Nickels	1998	2004	Connecticut, United States
Craig Robertson	1998	2004	North Carolina, United States
Larry Roche	1998	2002	Hawaii, United States
Daniel Schuessler	2000	2006	Offenbach, Germany
Cary Seltzer	1998	2002	Illinois, United States
Jon Thompson	1998	2002	New Jersey, United States
Tony Walters	1998	2004	South Carolina, United States