SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
[NO FEE REQUIRED, EFFECTIVE OCTOBER 7, 1996]

For the fiscal year ended December 29, 1996

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number: 1-14260

WACKENHUT CORRECTIONS CORPORATION

(Exact name of registrant as specified in its charter)

Florida	65-0043078
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

4200 Wackenhut Drive #100, Palm Beach Gardens, Florida	33410-4243
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER (INCLUDING AREA CODE): (561) 622-5656

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Common Stock $0.01 Par Value

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
None	None

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

At March 14, 1997, the aggregate market value of the 9,951,292 shares of Common Stock held by non-affiliates of the registrant was $174,147,610. At March 14, 1997, there were outstanding 21,951,292 shares of Common Stock.

DOCUMENTS INCORPORATED BY REFERENCE

Parts of the Registrant's Proxy Statement for its 1997 Annual Meeting of Shareholders are incorporated by reference in Part III of this Annual Report. Parts of the Registrant's Annual Report to Shareholders for the fiscal year ended December 29, 1996 are incorporated by reference into Parts II and IV of this Report.

EXHIBIT INDEX IS LOCATED ON PAGE 21

PART I

ITEM 1. BUSINESS

THE COMPANY

Wackenhut Corrections Corporation is a leading developer and manager of privatized correctional and detention facilities in the United States, Puerto Rico, Canada, the United Kingdom and Australia. The Company was founded in 1984 as a division of The Wackenhut Corporation ("Parent"), a leading provider of professional security services. In 1986, the Company received its first contract, from the United States Immigration and Naturalization Service (the "INS"), to design, construct and manage a detention facility with a design capacity of 150 beds.

The Company offers governmental agencies a comprehensive range of correctional and detention facility management services from individual consulting projects to the integrated design, construction and management of such facilities. In addition to providing the fundamental residential services relating to the security of facilities and the detention and care of inmates, the Company has built a reputation as an effective provider of a wide array of in-facility rehabilitative and educational programs. These programs include chemical dependency counseling and treatment, basic education, and job and life skills training. Additionally, the Company continuously seeks to expand into complementary services such as work release programs, youth detention services and prisoner transport services (known as court escort services in the United Kingdom). The Company believes that its experience in delivering governmental agencies high quality cost-effective correctional and detention facility management services provides such agencies strong incentive to select the Company when renewing and awarding contracts.

As of March 14, 1997 the Company has 35 correctional and detention facilities either under contract or award with an aggregate design capacity of 24,708 beds. Of these 35 facilities, 21 are currently in operation, 12 are being developed by the Company and two are being developed by a third party. Of the facilities being developed seven are scheduled to commence operations during 1997 (two in the first quarter, one in the second quarter and four in the fourth quarter)*. In addition, at March 14, 1997, the Company had outstanding written responses to Requests for Proposal ("RFPs") for 4 projects with an aggregate design capacity of 3,528 beds.

The Company has obtained and is pursuing construction and management contracts for correctional and detention facilities outside the United States and presently operates facilities in the United Kingdom and Australia. Through its wholly-owned subsidiary, Wackenhut Corrections Corporation Australia Pty Limited ("WCCA"), the Company entered into two joint ventures to develop business opportunities in Australia. In June 1991, one of these joint ventures, Australasian Correctional Services Pty Limited ("ACS"), was selected by the New South Wales (Australia) Department of Corrective Services to design, build and manage the Junee Correctional Centre, a 600 inmate facility in Junee, New South Wales, Australia. ACS subcontracted the management of the Junee facility to another joint venture involving the Company, Australasian Correctional Management Pty Limited ("ACM"). ACM commenced management of the Junee Correctional Centre in April 1993. In April 1992, the Queensland Corrective Services Commission awarded ACM a contract to manage the Arthur Gorrie Correctional Centre, a 578 inmate facility near Brisbane, Queensland, Australia. ACM commenced management of that facility in July 1992. In May 1995, ACS was nominated as the successful tenderer for a contract by the Department of Justice of Victoria, Australia to design, build, finance, and manage a 600 inmate facility at Victoria, Australia. The Company subsequently incorporated a wholly owned subsidiary, Australasian Correctional Investment Limited ("ACI") to operate this facility under a 20 year concession agreement. Management of the facility has been contracted to ACM under a five year management arrangement and ACM has also been awarded the contract for maintenance of the facility which opens April 7, 1997*. In January 1994, WCCA purchased additional stock in both ACS and ACM from one of the other joint venture partners for a net cost of $2.5 million. As a result of this transaction, the Company now owns 100% of ACM and 50% of ACS.

In the United Kingdom, the Company formed two joint ventures to pursue construction and management contracts for privatized correctional and detention facilities. In July 1992, the Company formed Premier Prison Services, Ltd. ("PPS"), a corporation organized under the laws of Great Britain, as a joint venture with Serco Limited, for the management of detention facilities and prisons. PPS bid for and received the contract to manage H.M. Prison Doncaster, a 1,011 inmate correctional facility, which opened in June 1994. In February 1994, through Wackenhut Corrections (UK) Limited, the Company formed Premier Custodial Development ("PCD"), as a joint venture with a wholly-owned subsidiary of Trafalgar House Limited, for the design, construction and financing of new detention facilities and prisons. The Company expects that PCD will bid with PPS for the design, development and management of new correctional and detention facilities in the United Kingdom. In December 1995, PPS entered into two contracts to provide court escort services in the United Kingdom and intends to bid on additional contracts to perform such services elsewhere. Under court escort contracts, a private company, on behalf of a governmental agency, transports prisoners between police stations, prisons and courts and is responsible for the custody of such prisoners during transportation and court appearances. In November 1996, PPS finalized a contract to manage H.M. Prison Lowdham Grange, a 500 inmate correctional facility in Nottinghamshire, England that is scheduled to open in 1998*.

Generally, the Company manages facilities owned or leased by a governmental agency. The agency may finance the construction of such facilities through various methods including, but not limited to, the following: (i) a one time general revenue appropriation by the governmental agency for the cost of the new facility; (ii) general obligation bonds that are secured by either a limited or unlimited tax levy by the issuing entity; or (iii) lease revenue bonds or certificates of participation secured by an annual lease payment that is subject to annual or bi-annual legislative appropriations. In some instances, the Company may be required to own and/or finance the facility. The construction of these facilities will be financed through various methods including, but not limited to the following: (i) funds from equity offerings of the Company's stock; (ii) borrowing from banks or other institutions; or (iii) lease arrangements with third parties.

The Company was incorporated in Florida in April 1988. The Company's principal executives offices are located at 4200 Wackenhut Drive #100, Palm Beach Gardens, Florida 33410-4243, and its telephone number is (561) 622-5656.

See the Company's Consolidated Financial Statements on 22 through 24 and Note 4 of Notes to Consolidated Financial Statements, which are included in the Company's Annual Report to Shareholders for the fiscal year ended December 29, 1996 and incorporated herein by reference, for financial information regarding domestic and international operations.

Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995. Except for historical matters, the matters discussed in this Form 10-K contain forward-looking statements that are based on current expectations and are subject to a number of risks and uncertainties. Actual results could differ materially from current expectations due to a number of factors, including but not limited to: general economic conditions; competitive factors and pricing pressures; shifts in market demand; the performance and needs of clients served by the Company; actual future costs of operating expenses; self-insurance claims and employee wages and benefits; possible changes in ownership positions of the Company's subsidiaries; and such other risks which may be described from time to time in the Company's SEC filings. These statements are marked with an " * ".

FACILITIES

The following table summarizes certain information with respect to facilities currently under management contract or award for management by the Company (or a subsidiary or joint venture of the Company) at March 14, 1997.

FACILITY NAME LOCATION	COMPANY ROLE	DESIGN CAPACITY	FACILITY TYPE	SECURITY LEVEL	COMMENCEMENT OF CONTRACT	TERM	RENEWAL OPTION
FEDERAL GOVERNMENT CONTRACTS							
Aurora INS Processing Center Aurora, Colorado	Construction/ Management	300	INS Detention Facility	Minimum/ Medium	October 1991	1 year	Four, One-year
Queens Private Correctional Facility Queens, New York	Construction/ Management	200	INS Detention Facility	Minimum/ Medium	1st Quarter 1997* (Estimated)	5 years	Four, One-year
STATE GOVERNMENT CONTRACTS							
Arkansas Women's Correctional Facility Newport, Arkansas	Design/ Construction/ Management	600	State Prison	All levels	1998* (Estimated)	2 years	Unlimited, Two-year
Arkansas Young Adult Male Correctional Facility Management Newport, Arkansas	Design/ Construction/	600	State Prison	Minimum/ Medium	1998* (Estimated)	2 years	Unlimited, Two-year
Allen Correctional Center Kinder, Louisiana	Management	1,474	State Prison	Medium/ Maximum	December 1993	3 years	One, Two-year
Bayamon Regional Detention Center Bayamon, Puerto Rico	Design/ Construction/ Consultation/ Management	500	State Prison	Medium	1st Quarter 1997* (Estimated)	5 years	One, Five-year
Bridgeport Pre-Release Center Bridgeport, Texas	Construction/ Management	520	Pre-Release Center	Minimum	September 1995	5 years (1)	None
Central Texas Parole Violator Facility San Antonio, Texas	Renovation/ Management	623	Parole Violator Facility/U.S. Marshal Detention Facility/ Juvenile Offender Facility/Out of State Prison Inmates	All levels	September 1993	Varies (2)	Varies (2)
Central Valley Community Correctional Facility McFarland, California	Design/ Construction/ Management	550	State Prison	Medium	4th Quarter 1997* (Estimated)	10 years	None
Charlotte County Correctional Facility Charlotte County, Virginia	Management	1,000	State Prison	Minimum	1998* (Estimated)	(3)	(3)
Coke County Juvenile Justice Facility Coke County, Texas	Design/ Construction/ Management	96	Juvenile Offender Facility	Medium	October 1994	2 years	Automatic, Unlimited, Two-year

FACILITY NAME LOCATION	COMPANY ROLE	DESIGN CAPACITY	FACILITY TYPE	SECURITY LEVEL	COMMENCEMENT OF CONTRACT	TERM	RENEWAL OPTION
Desert View Community Correctional Facility Adelanto, California	Design/ Construction/ Management	550	State Prison	Medium	4th Quarter 1997*	10 years	None
Golden State Community Correctional Facility McFarland, California	Design/ Construction/ Management	550	State Prison	Medium	4th Quarter 1997* (Estimated)	10 years	None
Guadalupe County Correctional Facility Santa Rosa, New Mexico	Management	1,200	State Prison	All levels	1998* (Estimated)	(3)	(3)
Kyle New Vision Chemical Dependency Treatment Center (4) Kyle, Texas	Construction/ Management/ Chemical Dependency Treatment	520	State Prison/ In-Prison Chemical Dependency Treatment Center	Minimum	September 1995	5 years (1)	None
Lea County Correctional Facility Hobbs, New Mexico	Management	2,200	State Prison	All levels	1998* (Estimated)	(3)	(3)
Lockhart Renaissance Facility Lockhart, Texas	Design/ Construction/ Management	500	State Prison	Minimum/ Medium	August 1994	3 years	One, Two-year
Lockhart Work Program Facility Lockhart, Texas	Construction/ Management	500	Work Program Facility	Minimum	September 1995	2 years	One, Two-year
Marshall County Correctional Facility Marshall County, Mississippi	Design/ Construction/ Management	1,000	State Prison	Medium	May 1996	5 years	Unlimited, Two-year
McFarland Community Correctional Facility McFarland, California	Construction/ Management	224	Pre-Release Center	Minimum/ Medium	February 1994	4 years	None
Moore Haven Correctional Facility Moore Haven, Florida	Design/ Construction/ Management	750	State Prison	Medium	July 1995	3 years	Unlimited, Two-year
North Texas Intermediate Sanction Facility Fort Worth, Texas	Renovation/ Management	400	Intermediate Sanction Facility	Minimum	September 1993	2 years	Unlimited, Two-year
John R. Lindsey Unit Jack County, Texas	Design/ Consultation/ Management	1,000	Texas State Jail Facility	Medium	September 1995	3 years	One, Two-year
South Bay Correctional Facility South Bay, Florida	Design/ Construction/ Management	1,318	State Prison	Medium/ Close Custody	February 1997	3 years	Unlimited, Two-year
Travis County Community Justice Center Travis County, Texas	Design/ Consultation/ Management	1,000	Texas State Jail Facility	Medium	March 1997	2 - 1/3 years (5)	Automatic, Unlimited, Two-year
Willacy County Unit Willacy County, Texas	Design/ Consultation/ Management	1,000	Texas State Jail Facility	Medium	January 1996	2 - 1/2 years (5)	One, Two-year

FACILITY NAME LOCATION	COMPANY ROLE	DESIGN CAPACITY	FACILITY TYPE	SECURITY LEVEL	COMMENCEMENT OF CONTRACT	TERM	RENEWAL OPTION
LOCAL GOVERNMENT CONTRACTS							
Broward County Work Release Center Broward County, Florida	Design/ Construction/ Management	300	Community Work Release Center	None	4th Quarter 1997 * (Estimated)	5 year	Unlimited, Two-year
Jena Juvenile Justice Center Jena, Louisiana	Design/ Construction/ Management	276	City Jail	All levels	1998* (Estimated)	25 years	None
San Diego City Jail San Diego, California	Construction/ Management	200	City Jail Facility	Minimum	May 1992	5 years	One, Five-year; Successive One-year terms
Delaware County Prison (6) Delaware County, Pennsylvania	Design/ Construction/ Management	1,200	County Jail Facility	All levels	1998* (Estimated)	3 years	Unlimited, Two-year
INTERNATIONAL CONTRACTS							
Arthur Gorrie Correctional Centre Wacol, Australia	Management	578	Remand and Reception Center	All levels	June 1992	7 years	None
Court Escort West Midlands Area England	Management	NA	Court Custody/ Transport-Escort	All levels	May 1996	7 years	One, Four-year
Court Escort South East Area England	Management	NA	Court Custody/ Transport-Escort	All levels	May 1996	7 years	One, Four-year
H.M. Prison Doncaster Doncaster, England	Management	1,011	National Prison	All levels	June 1994	5 years	Three, Three-year
Fulham Correctional Centre Victoria, Australia	Design/ Consultation/ Management	600	State Prison	Minimum/ Medium	2nd Quarter 1997* (Estimated)	25 years	Five, Three-year
H.M. Prison Lowdham Grange Nottinghamshire, England	Management	500	National Prison	All levels	1998* (Estimated)	25 years	None
Junee Correctional Centre Junee, Australia	Construction/ Management	600	National Prison	Medium	April 1993	5 years	One, Three-year
New Brunswick Youth Centre New Brunswick, Canada	Design/ Consultation/ Maintenance	112	Province Juvenile Facility	All levels	Fall 1997* (Estimated)	25 years	None

(1) Subject to termination option on August 31, 1998.
(2) This facility is occupied by inmates under several contracts with varying terms and renewal options. The terms of these contracts range from two weeks to an indefinite period and the renewal option features range from no option to unlimited renewals.
(3) Contract terms have yet to be negotiated.

(4) The Company operates a chemical dependency treatment center located in this facility under a separate contract. This contract is for a two-year term expiring September 30, 1997.
(5) Expires August 31, 1998.
(6) The Company has a contract to manage and operate an existing 1,000 bed facility in Delaware County, Pennsylvania. This contract will terminate upon the completion of a new 1,200 bed facility currently being constructed by the Company. The Company will manage and operate such facility upon its completion.

The Company offers services that go beyond simply housing inmates. The Company's wide array of in-facility rehabilitative and educational programs differentiates it from many competitors who lack the experience or resources to provide such programs. Inmates at most facilities managed by the Company can also receive basic education through academic programs designed to improve inmates' literacy levels and to offer the opportunity to acquire General Education Development ("GED") certificates. Most Company-managed facilities also offer vocational training for in-demand occupations to inmates who lack marketable job skills. In addition, most Company-managed facilities offer life skills/transition planning programs that provide inmates job search training and employment skills, anger management skills, health education, financial responsibility training, parenting skills and other skills associated with becoming productive citizens. For example, at the Lockhart Work Program Facility, Lockhart, Texas, the Company, as part of its job training program, recruited firms from private industry to employ inmates at the facility. Inmates who participate in such programs receive job skills training and are paid at least the minimum wage. The inmates' earnings are used to compensate victims, defray the inmates' housing costs and support their dependents. The Company also offers counseling, education and/or treatment to inmates with alcohol and drug abuse problems at fifteen of the facilities it manages. The Company believes that its program at the Kyle New Vision Chemical Dependency Treatment Center is the largest privately managed in-prison program of this nature in the United States.

The Company operates each facility in accordance with the Company-wide policies and procedures and with the standards and guidelines required under the relevant contract. For many facilities, the standards and guidelines include those established by the American Correctional Association ("ACA"). The ACA, an independent organization of corrections professionals, establishes correctional facility standards and guidelines that are generally acknowledged as a benchmark by governmental agencies responsible for correctional facilities. Many of the Company's contracts for facilities in the United States require the Company to seek accreditation of the facility. The Company has sought and received ACA accreditation for eight of the facilities it manages and has always received ACA accreditation when sought.

Contracts to design and construct or to redesign and renovate facilities may be financed in a variety of ways. See "Business -- Facility Design, Construction and Finance." If the project is financed using direct governmental appropriations, using proceeds of the sale of bonds or other obligations issued prior to the award of the project or by the Company directly, then financing is in place when the contract relating to the construction or renovation project is executed. If the project is financed using project-specific tax-exempt bonds or other obligations, the construction contract is generally subject to the sale of such bonds or obligations. Generally, substantial expenditures for construction will not be made on such a project until the tax-exempt bonds or other obligations are sold; and, if such bonds or obligations are not sold, construction and, therefore, management of the facility may either be delayed until alternative financing is procured or development of the project will be entirely suspended. If the project is self-financed by the Company, then financing is in place prior to the commencement of construction. When the Company is awarded a facility management contract, appropriations for the first annual or bi-annual period of the contract's term have generally already been approved, and the contract is subject to governmental appropriations for subsequent annual or bi-annual periods.

FACILITY MANAGEMENT CONTRACTS

The Company's customers consist of governmental agencies having responsibilities for local, state and federal correctional and detention facilities. During Fiscal 1996, 1995 and 1994, the various agencies of the State of Texas accounted for 39%, 37%, and 41%, respectively, of the Company's consolidated revenues. During Fiscal 1996, 1995 and 1994, contracts with the Louisiana Department of Public Safety and Corrections accounted for 9%, 11% and 13%, respectively, of the Company's revenues. Contracts with the New South Wales Department of Corrective Services accounted for 10%, 13% and 15% of the Company's revenues in Fiscal 1996, 1995 and 1994, respectively. Contracts with the Queensland Corrective Services Commission accounted for 11%, 13% and 13% of the Company's revenues in Fiscal 1996, 1995 and 1994. No other single customer accounted for 10% or more of the Company's total revenues for Fiscal 1996, 1995, and 1994.

Except for its contract for the San Diego City Jail facility and the facilities in the United Kingdom and Australia, all of which provide for fixed monthly rates, the Company's facility management contracts provide that the Company will be compensated at an inmate per diem rate based upon actual or guaranteed occupancy levels. Such compensation is invoiced in accordance with applicable law and is paid on a monthly basis. All of the Company's contracts are subject to either annual or bi-annual legislative appropriations. A failure by a governmental agency to receive appropriations could result in termination of the contract by such agency or a reduction of the management fee payable to the Company. To date, the Company has not encountered a situation where appropriations have not been made to a governmental agency with regard to the Company's contracts, although no assurance can be given that the governmental agencies will continue to receive appropriations in all cases.

The Company's facility management contracts typically have original terms ranging from one to five years and give the governmental agency at least one renewal option, generally for a term ranging from one to five years. Some of the Company's management contracts fall within the definition of "qualified management contracts" under the rules of the Internal Revenue Service. Therefore, such contracts are for one five-year term with the power to terminate for convenience at the end of three years. The Company has: (i) eight contracts expiring in 1997 (one with unlimited six-month renewal options, one with unlimited two-year renewal options, one with a single five-year renewal period, three with a single two-year renewal period, and two with no renewal option); (ii) eight contracts expiring in 1998 (two automatic unlimited two-year extensions, three with a single two-year renewal option, one with unlimited two-year renewal options, one with a single three-year renewal option, and one with no renewal option); (iii) one contract expiring in 1999 (three three-year renewal options); (iv) four expiring in 2000 (two with no renewal option and two with unlimited two-year renewal options); and (v) one expiring in 2001 (a single five-year renewal option). Except as described below, to date, all renewal options under the Company's management contracts have been exercised. However, in connection with the exercise of the renewal option, the contracting government agency or the Company typically has requested changes or adjustments to the contract terms. The Company's management contract for the New York INS facility expired effective March 31, 1995, and was not renewed by the INS due to the closure of the facility. The INS subsequently awarded the Company a contract to construct and manage a New York facility called the Queens Privatized Correctional Facility. This facility will open in 1997*.

The Company's contracts typically allow a contracting governmental agency to terminate a contract for cause by giving the Company written notice ranging from 30 to 180 days. No contracts have been terminated prior to the end of the contract term. To date, the only Company contract that did not extend for the full term was for the management of the Monroe County, Florida jail. By mutual agreement of the Company and the Monroe County Board of Commissioners the contract was discontinued in 1990 on an amicable basis.

In addition, in connection with the Company's management of such facilities, the Company is required to comply with all applicable local, state and federal laws and related rules and regulations. The Company's contracts typically require it to maintain certain levels of insurance coverage for general liability, workers' compensation, vehicle liability, and property loss or damage. If the Company does not maintain the required categories and levels of coverage, the contracting governmental agency may be permitted to terminate the contract. Presently, the Company, through Parent, has general liability insurance coverage of $35 million per occurrence and in the aggregate. See "Business -- Insurance." In addition, the Company is required under its contracts to indemnify the contracting governmental agency for all claims and costs arising out of the Company's management of facilities and in some instances require the Company to maintain performance bonds.

FACILITY DESIGN, CONSTRUCTION AND FINANCE

The Company provides governmental agencies consultation and management services relating to the design and construction of new correctional and detention facilities and the redesign and renovation of older facilities. Through March 14, 1997, the Company has provided service for the design and construction of thirteen facilities and for the redesign and renovation of three facilities and has contracts to design and construct eleven new facilities. It has been the Company's experience that it typically takes 9 to 24 months to construct a facility after the contract is executed and financing approved. In addition, the Company has provided consulting services in connection with the construction of three new facilities in Texas.

The Company has consulted on and/or managed the design and construction of the following facilities: (i) Aurora INS Processing Center; (ii) McFarland Community Correctional Facility; (iii) Bridgeport Pre-Release Center; (iv) Kyle New Vision Chemical Dependency Treatment Center; (v) Junee Correctional Centre; (vi) San Diego City Jail; (vii) Lockhart Work Program Facility; (viii) Lockhart Renaissance Facility; (ix) Moore Haven Correctional Facility; (x) Coke County Juvenile Justice Facility; (xi) South Bay Correctional Facility; (xii) Marshall County; and (xiii) the Bayamon Regional Detention Center. The Company is currently consulting on and/or managing the design and construction of the following facilities: (i) Arkansas Women's Correctional Facility, (ii) Arkansas Young Adult Correctional Facility (iii) Broward County Work Release Center (iv) Fulham Correctional Centre, (v) Queens Private Correctional Facility, (vi) Central Valley Community Correctional Facility; (vii) Desert View Community Correctional Facility, (viii) Golden State Community Correctional Facility, (ix) H.M. Prison Lowdham Grange, (x) the new Delaware County Prison, (xi) Charlotte County and (xii) Jena Juvenile Justice Center. Both the Guadalupe County Correctional Facility and the Lea County (Hobbs) Correctional Facility will be constructed by a third party. The Company also has provided consultation and management services in connection with the redesign and renovation of the following facilities: (i) North Texas Intermediate Sanction Facility; (ii) New York INS Processing Center; and (iii) Central Texas Parole Violator Facility. Currently, the Company manages all of the facilities it has designed and constructed or redesigned and renovated with the exception of the New York INS Processing Center, which has closed. The INS subsequently awarded the Company a contract to construct and manage a New York facility called the Queens Private Correctional Facility (scheduled to open in 1997*). The Company is willing to perform consultation and management services for the design and construction or redesign and renovation of a facility regardless of whether it has been awarded the contract for the management of such facility.

Under its construction and design management contracts, the Company agrees to be responsible for overall project development and completion. The Company makes use of an in-house staff of architects and operational experts from various corrections disciplines (e.g., security, medical service, food service, inmate programs and facility maintenance) as part of the decision team that participates from conceptual design through final construction of the project. When designing a facility, the Company's architects seek to utilize, with appropriate modifications, prototype designs the Company has used in developing prior projects. The Company believes that the use of such proven designs allows it to reduce cost overruns and construction delays and to reduce the number of guards required to staff a facility, thus controlling costs both to construct and to manage the facility. Security is maintained because the Company's facility designs increase the area of vision under surveillance by guards and make use of additional electronic surveillance.

The Company typically acts as the primary developer on construction contracts for facilities and subcontracts with local general contractors. Where possible, the Company subcontracts with construction companies with which it has previously worked. The Company has an in-house team of design, construction and prison security experts that coordinate all aspects of the development with subcontractors and provide site-specific services.

The Company may also propose to contracting governmental agencies various financing structures for construction finance. The governmental agency may finance the construction of such facilities through various methods including, but not limited to, the following: (i) a one time general revenue appropriation by the government agency for the cost of the new facility, (ii) general obligation bonds that are secured by either a limited or unlimited tax levy by the issuing governmental entity, or (iii) lease revenue bonds or certificates of participation secured by an annual lease payment that is subject to annual or bi-annual legislative appropriations. The Company may also act as a source of financing or as a broker in any regard with respect to any financing. In these cases, the construction of such facilities may be financed through various methods including, but not limited to, the following: (i) funds from equity offerings of the Company's stock; (ii) borrowing from banks or other institutions; or (iii) lease arrangements with third parties. Of the 35 facilities managed or contracted to be managed by the Company, 30 are funded using one of the above-described financing vehicles, three are directly leased and two are owned. However, alternative financing arrangements may be required for certain facilities. A growing trend in the correctional and detention industry requires private operators to make capital investments in new facilities and enter into direct financing arrangements in connection with the development of such facilities. By participating in such projects, private operators achieve economic benefits and tax advantages that are not typically available in connection with more traditional arrangements. While the Company generally will seek to make such direct financing arrangements on a non-recourse basis, the Company may be required to enter into certain types of recourse financing arrangements.

In connection with the award of one project, the Company has agreed to make an approximately $4.0 million equity investment in the project and to assist in the financing of the project by guaranteeing 50.1% (approximately $20.0 million) of the permanent pass-through financing. The governmental entity that has contracted for the project is the ultimate pass-through source of payments and the recourse obligations of the Company and the subsidiary through which it will hold its investment in the project are substantially limited in type and likelihood. The Company and its subsidiary have made application to restructure the pass-through financing to a non-recourse basis. The Company has structured the transaction so that the financing for the project will be repaid from funds generated by the project. In addition, to the extent that the Company elects to receive dividends from its subsidiary, it will be required to arrange for a letter of credit in favor of the subsidiary to provide security for the payment of certain possible future tax obligations of the subsidiary. The letter of credit will not be issued any earlier than the second half of 1997 and, consequently, any financing arrangements with respect to such letter of credit have not been determined. The Company does not believe that the issuance of the letter of credit will have a material impact on its liquidity or capital resources.

MARKETING

The Company views governmental agencies responsible for state correctional facilities in the United States and governmental agencies responsible for correctional facilities in the United Kingdom and Australia as its primary potential customers. The Company's secondary customers include the INS, other federal and local agencies in the United States and other foreign governmental agencies.

Governmental agencies responsible for correctional and detention facilities generally procure goods and services through RFPs. A typical RFP requires bidders to provide detailed information, including, but not limited to, descriptions of the following: the services to be provided by the bidder, its experience and qualifications, and the price at which the bidder is willing to provide the services (which services may include the renovation; improvement or expansion of an existing facility; or the planning, design and construction of a new facility). As part of the Company's process of responding to RFPs, management meets with appropriate personnel from the requesting agency to best determine the prospective client's distinct needs.

If the project fits within the Company's strategy, the Company then will submit a written response to the RFP. The Company estimates that it typically spends between $10,000 and $75,000 when responding to an RFP. The Company has engaged and intends in the future to engage independent consultants. Activities of the independent consultants include assisting the Company in developing privatization opportunities and in responding to RFPs, monitoring the legislative and business climate and maintaining relationships with existing clients.

There are several critical events in the marketing process. These include issuance of an RFP by a governmental agency, submission of a response to the RFP by the Company, the award of a contract by a governmental agency and the commencement of construction or management of a facility. The Company's experience has been that a period of approximately five to ten weeks is generally required from the issuance of an RFP to the submission of the Company's response to the RFP; that between one and four months elapse between the submission of the Company's response and the agency's award for a contract; and that between one and four months elapse between the award of a contract and the commencement of construction or management of the facility. If the facility for which an award has been made must be constructed, the Company's experience is that construction usually takes between 9 and 24 months; therefore, management of a newly constructed facility typically commences between 10 and 28 months after the governmental agency's award.

BUSINESS PROPOSALS

The Company pursues both domestic and international projects. At March 14, 1997, the Company had outstanding written responses to RFPs for 4 projects with a total of 3,528 beds. The Company also is pursuing prospects for other projects for which it has not yet submitted, and may not submit, a response to an RFP. No assurance can be given that the Company will be successful in its efforts to receive additional awards with respect to any proposals submitted.

INSURANCE

Presently, the Company is named insured under a liability insurance program maintained by Parent (the "Insurance Program"). The Insurance Program includes general comprehensive liability, automobile liability and workers' compensation coverage for Parent and all of its domestic subsidiaries. The Insurance Program consists of primary and excess insurance coverage. The primary coverage consists of up to $5 million of coverage per occurrence with no aggregate coverage limit. The excess coverage consists of up to $30 million of coverage per occurrence and in the aggregate. The Company believes such limits are adequate to insure against the various liability risks of its business. The premium to be paid by the Company to Parent for coverage under the Insurance Program in 1996 was approximately $3,306,000, representing premiums paid to a captive reinsurance company that is wholly owned by Parent. The Company believes that the premiums it is charged under the Insurance Program are less than those that would be charged by a third party insurer. The facility management contracts and various state statutes require the Company to maintain such insurance and the management contracts provide that the contracting agency may terminate the contract if the Company fails to maintain the required insurance coverages. Under the Insurance Program, the first $2 million of costs, expenses and losses per occurrence are reinsured by a captive reinsurance company that is wholly owned by Parent.

EMPLOYEES AND EMPLOYEE TRAINING

At March 14, 1997, the Company had 4,182 full-time employees and 207 part-time employees. Of such full-time employees, 43 were employed at the Company's headquarters and 4,139 were employed at facilities. The Company employs management, administrative and clerical, security, educational services, health services and general maintenance personnel. The Company's correctional officer employees at Junee Correctional Centre, Arthur Gorrie Correctional Centre, and Fulham Correctional Centre in Australia are members of unions. The Company has entered into a contract with the union for the correctional officers at the Junee facility, however, the Company has not entered into a contract with the other two unions. Other than the contracts described above, the Company has no union contracts or collective bargaining agreements. The Company believes its relations with its employees are good.

Under the laws applicable to most of the Company's operations, and internal Company policy, the Company's corrections officers are required to complete a minimum amount of training prior to employment. At least 160 hours of training by the Company is required under most state laws before an employee is allowed to work in a position that will bring him or her in contact with inmates. Florida law requires that the corrections officers receive 520 hours of training. The Company's training programs meet or exceed all applicable requirements.

The Company's training begins with approximately 40 hours of instruction regarding Company policies, operational procedures and management philosophy. Training continues with an additional 120 hours of instruction covering legal issues, rights of inmates, techniques of communication and supervision, interpersonal skills and job training relating to the particular position to be held. Each Company employee who has contact with inmates receives a minimum of 40 hours of additional training each year, and each manager receives at least 24 hours of training each year.

At least 222 hours of training is required for United Kingdom employees and 240 hours of training is required for Australian employees before such employees are allowed to work in positions that will bring them into contact with inmates. Company employees in the United Kingdom and Australia receive a minimum of 40 hours of additional training each year.

COMPETITION

The Company competes primarily on the basis of the quality and range of services offered, its experience (both domestically and internationally) in the design, construction and management of privatized correctional and detention facilities, and its reputation. The Company competes with a number of companies, including, but not limited to, Corrections Corporation of America, Correctional Services Corporation, Group 4 International Corrections Service, Securicor Group, U.K. Detention Services, Ltd. and United States Corrections Corporation. Some of the Company's competitors are larger and have greater resources than the Company. The Company also competes in some markets with small local companies that may have a better knowledge of the local conditions and may be better able to gain political and public acceptance. Potential competitors can enter the Company's business without substantial capital investment or experience in management of correctional or detention facility experience. In addition, in some markets, the Company may compete with governmental agencies that are responsible for correctional facilities.

NON-U.S. OPERATIONS

Although most of the operations of the Company are within the United States, its international operations make a significant contribution to income. International operations of the Company provide correctional and detention facilities management in Australia and the United Kingdom.

As a result of the Company's purchase, effective January 3, 1994, of the remaining 50% of ACM, 1994 was the first year in which ACM was consolidated.

A summary of domestic and international operations is presented below:

	1996	1995	1994
REVENUES			
Domestic operations	$108,245	$ 72,852	$ 60,922
International operations	29,539	26,579	23,104
Total revenues	137,784	99,431	84,026
OPERATING INCOME			
Domestic operations	7,087	4,501	2,120
International operations	2,644	2,728	2,326
Total operating income	9,731	7,229	4,446
ASSETS			
Domestic operations	96,872	30,641	24,020
International operations	9,939	8,199	6,313
Total assets	$106,811	$ 38,840	$ 30,333

The Company has affiliates (50% or less owned) that provide correctional and detention facilities management in the United Kingdom. The following table (in thousands) summarizes certain financial information pertaining to these unconsolidated foreign affiliates, on a combined basis, for the last three fiscal years.

	1996	1995	1994
Revenues	$28,953	$17,705	$11,518
Net income (loss) after adjustment for U.S. income taxes	1,208	(226)	(662)
Company's share of net income (loss)	604	(113)	(331)
Assets	$13,682	$ 2,132	$ 3,420

BUSINESS REGULATIONS AND LEGAL CONSIDERATIONS

The industry in which the Company operates is subject to national, federal, state, and local regulations in the United States, United Kingdom, Australia and Puerto Rico which are administered by a variety of regulatory authorities. Generally, prospective providers of corrections services must be able to detail their readiness to, and must comply with, a variety of applicable state and local regulations, including education, health care and safety regulations. The Company's contracts frequently include extensive reporting requirements and require supervision and on-site monitoring by representatives of contracting governmental agencies. The Company's Kyle New Vision Chemical Dependency Treatment Center is licensed by the Texas Commission on Alcohol and Drug Abuse to provide substance abuse treatment. Certain states, such as Florida and Texas, deem correctional officers to be peace officers and require Company personnel to be licensed and subject to background investigation. State law also typically requires corrections officers to meet certain training standards.

In addition, many state and local governments are required to enter into a competitive bidding procedure before awarding contracts for products or services. The laws of certain jurisdictions may also require the Company to award subcontracts on a competitive basis or to subcontract with businesses owned by women or members of minority groups.

The failure to comply with any applicable laws, rules or regulations or the loss of any required license could have a material adverse effect on the Company's business, financial condition and results of operations. Furthermore, the current and future operations of the Company may be subject to additional regulations as a result of, among other factors, new statutes and regulations and changes in the manner in which existing statutes and regulations are or may be interpreted or applied. Any such additional regulations could have a material adverse effect on the Company's business, financial condition and results of operations.

ITEM 2. PROPERTIES

The Company leases its corporate headquarters office space in Palm Beach Gardens, Florida, from Parent. In addition, the Company leases office space for its regional offices in Austin, Texas and Baton Rouge, Louisiana, and for a local office in Fort Lauderdale, Florida.

The Company also leases the space for the following facilities it manages: (i) North Texas Intermediate Sanction Facility; (ii) Central Texas Parole Violator Facility; (iii) San Diego City Jail.

The Company owns the land and a 66,000 square foot building for the Aurora INS Processing Center that the Company manages under a contract with the U.S. Government. The Company also owns the land and a 35,000 square foot building for the McFarland Community Correctional Facility that the Company manages under a contract with the State of California.

ITEM 3. LEGAL PROCEEDINGS

On August 31, 1995, the Company was joined as an indispensable party in an action filed by the Delaware County Prison Employees Independent Union (the "Union") in the Court of Common Pleas of Delaware County, Pennsylvania. The action questions the Delaware County Board of Prison Inspectors' (the "Board") authority under a contract between the Union and the Board to award the contract to manage the existing Delaware County Prison to the Company. An adverse determination in this action could result in the loss of the Company's contract to manage the existing facility, although the Company does not believe that such a loss would have a material adverse effect on the Company. The Company does not expect that this action would have an adverse impact on the Company's new Delaware County Prison constructed by the Company. The Company has not commenced operations at the new facility.

Except for the litigation set forth above and routine litigation incidental to the business of the Company, there are no pending material legal proceedings to which the Company or any of its subsidiaries is a party or to which any of their property is subject. The Company believes that the outcome of the proceedings to which it is currently a party will not have a material adverse effect upon its operations or financial condition. The nature of the Company's business results in claims or litigation against the Company for damages arising from the conduct of its employee or others.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

EXECUTIVE OFFICERS OF THE COMPANY

The executive officers of the Company are as follows:

NAME	AGE	POSITION
George R. Wackenhut	77	Chairman of the Board and Director
George C. Zoley	46	Vice Chairman of the Board, Chief Executive Officer, and Director
Wayne H. Calabrese	46	President and Chief Operating Officer
John G. O'Rourke	46	Senior Vice President, Chief Financial Officer, and Treasurer
Charles R. Jones	48	Senior Vice President, Business Development
Carol M. Brown	42	Senior Vice President, Health Services
Robert W. Mianowski	46	Senior Vice President, Operations
Patricia McNair Persante	47	Senior Vice President, Contract Compliance
David N.T. Watson	31	Controller, Chief Accounting Officer, and Assistant Treasurer

GEORGE C. ZOLEY was newly promoted as Vice Chairman of the Board in January, 1997, and has served as President and a Director of the Company since it was incorporated in 1988, and Chief Executive Officer since April, 1994. Dr. Zoley established the correctional division for Parent in 1984 and was, and continues to be, a major factor in the company's development of its privatized correctional and detention facility business. Dr. Zoley is also a director of each of the entities through which the Company conducts its international operations. From 1981 through 1988, as manager, director, and then Vice President of Government Services of WSI, Dr. Zoley was responsible for the development of opportunities in the privatization of government services by WSI. Currently Dr. Zoley serves as a Senior Vice President of The Wackenhut Corporation. Prior to joining WSI, Dr. Zoley held various administrative and management positions for city and county governments in South Florida.

WAYNE H. CALABRESE has served as President since January 1997, Chief Operating Officer since January 1996 and as Executive Vice President of the Company from 1994 to 1996. Mr. Calabrese is also a director of each of the entities through which the Company conducts its international operations. Mr. Calabrese served as Chief Executive Officer of Australasian Correctional Management, Pty Ltd., a subsidiary of the Company, from 1991 until he returned to the United States in 1994. Mr. Calabrese joined the Company as Vice President, Business Development in 1989, became Executive Vice President in 1994 and became Chief Operating Officer in 1996. Mr. Calabrese's prior experience in the public sector includes positions as Assistant City Law Director in Akron, Ohio; and Assistant County Prosecutor, and later, Chief of the County Bureau of Support for Summit County, Ohio. Mr. Calabrese was also Legal Counsel and Director of Development for the Akron Metropolitan Housing Authority. Prior to joining the Company, Mr. Calabrese was engaged in the private practice of law as a partner in the Akron law firm of Calabrese, Dobbins and Kepple.

JOHN G. O'ROURKE has served as Chief Financial Officer and Treasurer of the Company since April, 1994, and has been the Senior Vice President, Finance of the Company since June, 1991. Prior to joining the Company Mr. O'Rourke spent twenty years as an officer in the United States Air Force where his most recent position was as the Strategic Division Chief in the Office of the Secretary of the Air Force, responsible for acquisitions and procurement matters for strategic bomber aircraft.

CHARLES R. JONES was promoted to Senior Vice President, Business Development in January 1997 after serving as Vice President, Business Development since joining the Company in June 1996. Previously, Mr. Jones was a senior investment banker specializing in structured finance and privatization consulting for the corrections industry with Rauscher, Pierce, Refsnes, Inc. in Dallas Texas, where he was Chairman of the firm's Banking Advisory Counsel. From 1973 to 1980 Mr. Jones, a CPA, practiced with Peat, Marwick, Mitchell & Co. specializing in the taxation of commercial real estate and financial institutions.

CAROL M. BROWN has served as Senior Vice President, Health Services of the Company since August, 1990. Ms. Brown is a certified specialist in correctional health care management. From 1988 until joining the Company Ms. Brown was a Consultant for medical case management and workers' compensation in South Florida for Health and Rehabilitation Management, Inc. From 1987 to 1988, Ms. Brown was Medical Manager for Metlife Healthcare of South Florida. Ms. Brown was an Administrator for health care services for Medical Personnel Pool, Inc. from 1985 to 1987 and for Upjohn Healthcare from 1981 to 1985.

ROBERT W. MIANOWSKI has served as the Senior Vice President, Operations of the Company since May, 1990. From May, 1988, until joining the Company, Mr. Mianowski was Criminal Prosecuting Attorney for the City of Cuyahoga Falls, Ohio, Department of Law, and was in private law practice for the prior two years. Mr. Mianowski's career as practicing attorney was preceded by fourteen (14) years in the field of law enforcement, having served as a law enforcement officer in several Ohio municipalities, and as Chief of Police of Boston Heights, Ohio, from 1984 to 1986.

PATRICIA MCNAIR PERSANTE has served as Senior Vice President, Contract Compliance of the Company since February, 1995 and was Vice President, Contract Compliance of the Company from 1990 to February 1995. From 1988 until joining the Company, Ms. Persante was engaged in private law practice with the San Antonio law firm of Smith, Barshop, Stoffer & Millsap. From 1983 to 1988, Ms. Persante was Assistant Criminal District Attorney for Bexar County, Texas.

DAVID N.T. WATSON has served as Controller and Assistant Treasurer of the Company since November, 1994. He now also serves as the Company's Chief Accounting Officer. From 1989 until joining the Company, Mr. Watson was with the Miami office of Arthur Andersen LLP where his most recent position was Manager, in the Audit and Business Advisory Services Group. Mr. Watson is licensed as a certified public accountant in Florida and is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The information required by this Item is incorporated by reference to Page 18 of the Company's 1996 Annual Report to Shareholders.

ITEM 6. SELECTED FINANCIAL DATA

The information required by this Item is incorporated by reference to Page 18 of the Company's 1996 Annual Report to Shareholders.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this Item is incorporated by reference to Pages 19 through 21 of the Company's 1996 Annual Report to Shareholders.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is incorporated by reference to Pages 22 through 31 of the Company's 1996 Annual Report to Shareholders.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III

The information required by Items 10, 11, 12, and 13 of Form 10-K (except such information as is furnished in a separate caption "Executive Officers of the Company" and included in Part I, hereto) will be contained in, and is incorporated by reference from, the proxy statement (with the exception of the Board Compensation Committee Report and the Performance Graph) for the Company's 1997 Annual Meeting of Shareholders, which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this Annual Report.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) 1. Report of Independent Certified Public Accounts. - This item is incorporated by reference to Page 32 of the Company's 1996 Annual Report to Shareholders.

The following consolidated financial statements of the Company, included in the Company's Annual Report to its Shareholders for the fiscal year ended December 29, 1996, are incorporated by reference in Item 8:

Consolidated Balance Sheets - December 29, 1996 and December 31, 1995

Consolidated Statements of Income - Fiscal years ended December 29, 1996, December 31, 1995, and January 1, 1995.

Consolidated Statements of Cash Flows - Fiscal years ended December 29, 1996, December 31, 1995, and January 1, 1995.

Consolidated Statements of Shareholders' Equity - Fiscal years ended December 29, 1996, December 31, 1995, and January 1, 1995.

Notes to Consolidated Financial Statements

With the exception of the information incorporated by reference from the 1996 Annual Report to Shareholders in Items 5, 6, 7, 8, and 14 of Parts II and IV of this Form 10-K, the Company's 1996 Annual Reports to Shareholders is not to be deemed filed as a part of this Report.

2. Financial Statement Schedules.

All schedules specified in the accounting regulations of the Securities and Exchange Commission have been omitted because they are either inapplicable or not required.

3. Exhibits. The following exhibits are filed as part of this Annual Report:

EXHIBIT NUMBER	DESCRIPTION
3.1**	Amended and Restated Articles of Incorporation of the Company dated May 16, 1994.
3.2**	Bylaws of the Company.
10.1**	Wackenhut Corrections Corporation Stock Option Plan.
10.2**	Wackenhut Corrections Corporation 1994 Stock Option Plan.
10.3**	Form of Indemnification Agreement between the Company and its Officers and Directors.
10.4***	Wackenhut Corrections Corporation Senior Officer Retirement Plan.
10.5***	Wackenhut Corrections Corporation Director Deferral Plan.
10.6***	Wackenhut Corrections Corporation Senior Officer Incentive Plan.
10.7	Services Agreement dated as of January 3, 1994 between the Company and Parent (incorporated by reference to Exhibit 10.4 of the Company's Registration Statement on Form S-1, as amended, Registration Number 33-79264).
10.8***	Services Agreement effective as of January 1, 1996 between the Company and Parent.
10.9	Lease Agreement effective as of January 3, 1994 between the Company and Parent (incorporated by reference to Exhibit 10.5 of the Company's Registration Statement on Form S-1, as amended, Registration Number 33-79264)
10.10	Revolving Credit Facility Agreement dated December 12, 1994 between the Company and Barnett Bank of South Florida, N.A. (incorporated by reference to Exhibit 10.106 of the Company's Annual Report on Form 10-K for the Fiscal Year ended January 1, 1995).
13.1*	Annual Report to Shareholders for the year ended December 29, 1996, pages 18-32 (to be deemed filed only to the extent required by instructions to Exhibits for reports on Form 10-K).
21.1***	Subsidiaries of the Company.
24.1*	Powers of Attorney.

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* Filed herewith.

** Incorporated herein by reference to exhibit of the same number filed in the Company's Registration Statement, as amended, on Form S-1 (Registration Number 33-79264)

***Incorporated herein by reference to exhibit of the same number filed in the Company's Registration Statement, as amended, on Form S-1 (Registration Number 33-80785)

\+ Management contract or compensatory plan, contract or agreement as defined in Item 402(a) (3) of Regulation S-K.

(b). Reports on Form 8-K. The Company did not file a current report on Form 8-K during the fourth quarter of fiscal year 1996.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WACKENHUT CORRECTIONS CORPORATION

Date: March 28, 1997	/s/ John G. O'Rourke -- JOHN G. O'ROURKE Senior Vice President - Finance, Treasurer and Chief Financial Officer

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

Date: March 28, 1997	/s/ George C. Zoley --- GEORGE C. ZOLEY Vice Chairman of the Board and Chief Executive Officer (principal executive officer)
Date: March 28, 1997	/s/ John G. O'Rourke --- JOHN G. O'ROURKE Senior Vice President - Finance, Treasurer and Chief Financial Officer (principal financial officer)
Date: March 28, 1997	/s/ David N.T. Watson --- DAVID N.T. WATSON Controller, Chief Accounting Officer, and Assistant Treasurer (principal accounting officer)
	/s/George R. Wackenhut --- GEORGE R. WACKENHUT Director
	/s/ Richard R. Wackenhut --- RICHARD R. WACKENHUT Director

/s/Norman A. Carlson *

NORMAN A. CARLSON
Director

/s/Benjamin R. Civiletti *

BENJAMIN R. CIVILETTI
Director

/s/Manuel J. Justiz *

MANUEL J. JUSTIZ
Director

/s/Dr. Floretta D. McKenzie *

DR. FLORETTA D. McKENZIE
Director

/s/John F. Ruffle *

JOHN F. RUFFLE
Director

/s/Anthony P. Travisono *

ANTHONY P. TRAVISONO
Director

Dated: March 28, 1997

*By /s/John G. O'Rourke

JOHN G. O'ROURKE, Attorney-in-fact

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION	PAGE NUMBER
13.1	Pages 18-32 of the Annual Report to Shareholders for the year end December 29, 1996 (to be deemed filed only to the extent required by instructions to exhibits for reports on this form 10-K).	22
24.1	Power of Attorney for members of the Board of Directors.	38

EXHIBIT 13.1

WACKENHUT CORRECTIONS CORPORATION AND SUBSIDIARIES

FINANCIAL REVIEW

MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

In March 1996, the Company changed its listing from WCCX on the Nasdaq Stock Market's National Market to WHC on the New York Stock Exchange.

The ensuing table shows the high and low prices for the Company's common stock, as reported on the Nasdaq Stock Market's National Market and New York Stock Exchange, for each of the four quarters of fiscal 1996 and 1995. All price data have been restated for the 100% stock dividend (treated as a stock split) paid on June 4, 1996. The approximate number of shareholders of record, as of January 31, 1997, was 259.

	1996		1995	
	High	Low	High	Low
First Quarter	$20-7/8	$12-3/16	$14-5/8	$8-1/4
Second Quarter	44-3/4	19-7/8	14-1/4	9-5/8
Third Quarter	35-3/4	19-3/4	11-15/16	9-1/2
Fourth Quarter	24-3/8	16	13-5/8	9-1/2

The Company in tends to retain its earnings to finance the growth and development of its business and does not anticipate paying cash dividends on its capital stock in the foreseeable future. Future dividends, if any, will depend, among other things, on the future earnings, capital requirements and financial condition of the Company, and on such other factors as the Company's Board of Directors may consider relevant.

SELECTED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE DATA)

THE SELECTED CONSOLIDATED FINANCIAL DATA SHOULD BE READ IN CONJUNCTION WITH THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS AND THE NOTES THERETO.

FISCAL YEARS ENDED: (A)	1996	1995	1994	1993	1992
RESULTS OF OPERATIONS:					
Revenues	$137,784	$ 99,431	$ 84,026	$ 58,784	$ 47,235
Operating expenses	115,848	82,285	70,670	50,573	40,062
Depreciation and amortization	3,532	2,303	2,287	2,101	1,392
Contribution from operations	18,404	14,843	11,069	6,110	5,781
General and administrative expenses	8,673	7,614	6,623	4,664	4,168
Operating Income	9,731	7,229	4,446	1,446	1,613
Interest income (expense)	2,195	186	(261)	(544)	(475)
Income before income taxes and equity income (loss) of affiliates	11,926	7,415	4,185	902	1,138
Provision for income taxes	4,269	2,862	1,661	368	441
Income before equity income (loss) of affiliates	7,657	4,553	2,524	534	697
Equity income (loss) of affiliates, net of income taxes	604	(113)	(331)	261	29
Net Income	$ 8,261	$ 4,440	$ 2,193	$ 795	$ 726
Earnings per share	$ 0.37	$ 0.25	$ 0.15	$ 0.06	$ 0.05
FINANCIAL CONDITION:					
Working capital	$ 62,130	$ 13,455	$ 10,194	$ 5,032	$ 2,537
Total assets	106,811	38,840	30,333	19,148	19,898
Long-term debt	225	980	1,412	--	--
Total debt	237	991	1,422	--	647
Shareholders' equity	87,969	25,229	19,727	4,212	3,417

(A) The Company's fiscal year ends on the Sunday closest to the calendar year end. Fiscal 1994, 1995 and 1996 each included 52 weeks.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

Cash provided by operating activities amounted to $9,128,000 in 1996 versus $1,345,000 in 1995. The Company's primary capital requirements are for working capital; furniture, fixtures, equipment, and supply purchases; investments in joint ventures; and investments in facilities. Some of the Company's management contracts require the Company to make substantial initial expenditures of cash in connection with opening or renovating a facility. The initial expenditures subsequently are fully or partially recoverable as pass-through costs or are billable to the contracting agency over the original term of the contract. The cash required for these needs will be derived from internally generated funds, the proceeds from public stock offerings, and additional borrowings, if necessary.*

The Company anticipates making cash investments in connection with future acquisitions. In addition, in line with a developing industry trend toward requiring private operators to make capital investments in facilities and to enter into direct financing arrangements in connection with the development of such facilities, the Company anticipates utilizing cash to finance start-up costs, leasehold improvements and equity investments in facilities, if appropriate, in connection with undertaking new contracts.*

Prior to the initial public offering (IPO) in July 1994, the Company financed its operations through borrowings from The Wackenhut Corporation (TWC or Parent). Interest on intercompany indebtedness was computed at rates which reflected TWC's average interest costs on long-term debt, exclusive of mortgage financing. Subsequent to the IPO and through Fiscal 1995, financing was obtained from internally generated funds or third-party borrowings.

In January 1996, the Company sold 4,600,000 shares of its common stock in connection with a second offering at a price of $12.00 per share, before deducting underwriting discounts and commissions and estimated offering expenses. Net proceeds from the offering were approximately $51,581,000. In 1996, the Company used $5.7 million of the proceeds to acquire one of its existing facilities.

Management is unaware of any other evident trends that are likely to result in material increases or decreases in the liquidity of the Company other than those factors mentioned above.* Management is constantly reviewing matters that could require significant outlays of cash with respect to corporate growth strategies; however, these matters are always reviewed in the light of appropriateness and availability of financing.

The ratio of total debt to total capitalization was 0.3% at the end of Fiscal 1996 and 3.8% at the end of Fiscal 1995.

In December 1994, the Company entered into a $15.0 million revolving credit facility with a U.S. bank to provide working capital. The revolving credit facility matures November 30, 1997, at which time the outstanding principal balance under the facility may be converted to a term loan which will mature September 30, 2002. Indebtedness under this facility bears interest at the prime rate or Eurodollar rate, plus 0.75%. There are no prepayment penalties associated with the credit facility. The facility imposes upon the Company, among other things, a maximum leverage ratio, minimum debt service coverage, working capital and interest charge coverage ratios, and a minimum tangible net worth requirement. The facility also limits certain payments and distributions. No amounts were outstanding under this facility as of December 29, 1996. However, at December 29, 1996, the Company had outstanding two standby letters of credit supported by this revolving credit facility in an aggregate amount of approximately $100,000.

There are no other known material trends, favorable or unfavorable, in the capital resources of the Company, except for possible changes in interest rates.* In the event that the Company would have any significant requirement beyond the matters discussed above, capital resources are available under its revolving line of credit with a bank, and management believes that additional resources may be available to the Company through a variety of other methods of financing.*

RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Company's consolidated financial statements and notes thereto.

*See note on page 1 regarding forward-looking statements

The following table sets forth certain Statements of Income data expressed as percentages of total revenues for the following fiscal years:

	1996	1995	1994
Revenues	100.0%	100.0%	100.0%
Operating expenses	84.1	82.8	84.1
Depreciation and amortization	2.5	2.3	2.7
Contribution from operations	13.4	14.9	13.2
General and administrative expenses	6.3	7.7	7.9
Operating income	7.1	7.3	5.3
Interest income (expense)	1.6	0.2	(0.3)
Income before income taxes and equity income (loss) of affiliates	8.7	7.5	5.0
Provision for income taxes	3.1	2.9	2.0
Equity income (loss) of affiliates, net of income taxes	0.4	(0.1)	(0.4)
Net income	6.0%	4.5%	2.6%

FISCAL 1996 COMPARED WITH FISCAL 1995

Revenues increased by 38.6% to $137.8 million in 1996 from $99.4 million in 1995. The increase in revenues in 1996 compared with 1995 is primarily attributable to increased compensated resident days resulting from the increasing occupancy of two facilities that opened in the second half of 1995 (Moore Haven Correctional Facility, Moore Haven, Florida in July 1995 and John R. Lindsey Unit, Jack County, Texas in September 1995), the opening of two facilities in the first half of 1996 (Willacy County Unit, Willacy County, Texas in January 1996 and Marshall County Correctional Facility, Marshall County, Mississippi in June 1996), the assumption of operational responsibility for an existing facility (Delaware County Prison, Delaware County, Pennsylvania in April 1996) the expansion of one facility (Allen Correctional Center, Kinder, Louisiana) and the temporary double up at another facility (Arthur Gorrie Correctional Centre, Wacol, Australia).

The following table sets forth the number of facilities under contract or award at the end of the following fiscal years:

	1996	1995	1994
Contracts(1)	34	24	22
Facilities in operation	19	16	15
Design capacity of contracts	24,371	16,054	13,732
Design capacity of facilities in operation	12,235	9,135	7,164
Compensated resident days(2)	3,585,100	2,350,843	2,090,625

(1) Comprised of facilities in operation, facilities under development and facilities for which awards have been obtained.

(2) Compensated resident days are calculated as follows, (a) per diem rate facilities - the number of beds occupied by residents on a daily basis during the fiscal year and, (b) fixed rate facilities - the design capacity of the facility multiplied by the number of days the facility was in operation during the fiscal year. Amounts exclude compensated resident days for H.M. Prison Doncaster, England.

The number of compensated resident days in domestic and Australian facilities increased to 3.6 million in 1996 from 2.4 million in 1995. As a result of the increase in compensated resident days, average facility occupancy in domestic and Australian facilities increased to 96.8% of capacity in 1996 compared to 94.8% in 1995.

Operating expenses increased by 40.8% to $115.8 million in 1996 from $82.3 million in 1995. As a percentage of revenues, operating expenses increased to 84.1% from 82.8%. This increase is primarily attributable to higher operating expenses at the Company's Australian facilities.

Depreciation and amortization increased by 53.4% to $3.5 million in 1996 from $2.3 million in 1995. This increase is due to the increase in capital and deferred charge expenditures resulting from the opening of the new facilities, the assumption of correctional services, the purchase of one facility and the expansions discussed above.

Contribution from operations increased 24.0% to $18.4 million in 1996 from $14.8 million in 1995. As a percentage of revenues, contribution from operations decreased to 13.4% from 14.9%. As discussed above, this decrease is due primarily to the Company's Australian operations. General and administrative expenses increased by 13.9% to $8.7 million in 1996 from $7.6 million in 1995. This reflects increased business development activities in response to additional interest in the Company's services and increased infrastructure related to current and future corporate growth.

General and administrative expenses decreased to 6.3% of total revenues in 1996 from 7.7% in 1995.

Operating income increased by 34.6% to $9.7 million in 1996 from $7.2 million in 1995 as a result of the factors described above. As a percentage of revenue, operating income decreased to 7.1% from 7.3%.

Interest income was $2.2 million in 1996 compared to interest income of $186,000 in 1995. The increase is attributable to interest earned on the proceeds of the January 1996 stock offering.

Income before income taxes and equity (loss) income of affiliates increased to $11.9 million in 1996 from $7.4 million in 1995 due to the factors described above.

Provision for income taxes increased to $4.3 million in 1996 from $2.9 million in 1995 due to higher taxable income.

Equity income (loss) of affiliates increased to $604,000 in 1996 from ($113,000) in 1995. Current and prior year performance reflects the activities of Premier Prison Services, a U.K. joint venture. The increase in current year income results from three expansions at the H.M. Prison Doncaster (Doncaster, England) in November 1995, June 1996 and November 1996, respectively, and income earned from two court escort contracts that were awarded in December 1995 and commenced operations in May 1996.

Net income increased by 86.0% to $8.3 million in 1996 from $4.4 million in 1995 as a result of the factors described above.

FISCAL 1995 COMPARED WITH FISCAL 1994

Revenues increased by 18.3% to $99.4 million in 1995 from $84.0 million in 1994. The increase in revenues in 1995 compared with 1994 is primarily attributable to increased compensated resident days resulting from the increasing occupancy of two facilities opened in late 1994 and two facilities that opened in the second half of 1995 (Lockhart Renaissance Facility, Lockhart, Texas in August 1994; Coke County Juvenile Justice Center, Coke County, Texas in October 1994; Moore Haven Correctional Facility, Moore Haven, Florida in July 1995 and John R. Lindsey Unit, Jack County, Texas in September 1995) and the expansion of two facilities (Arthur Gorrie Correctional Centre, Wacol, Australia and Allen Correctional Center, Kinder, Louisiana). Management fees associated with the development of five facilities (Delaware County, Pennsylvania; South Bay Correctional Facility, South Bay, Florida; Bayamon Regional Detention Center, Bayamon, Puerto Rico; Marshall County Prison, Marshall County, Mississippi; and Fulham Correctional Centre, Victoria, Australia) also contributed to the increase in revenues.

The number of compensated resident days in domestic and Australian facilities increased to 2.4 million in 1995 from 2.1 million in 1994. Despite the increase in compensated resident days, average facility occupancy in domestic and Australian facilities decreased to 94.8% of capacity in 1995 compared to 97.1% in 1994 primarily due to a decrease in occupancy levels at two Texas facilities (Central Texas Parole Violator Facility, San Antonio, Texas and North Texas Intermediate Sanctions Facility, Fort Worth, Texas) and the expiration of the New York INS (New York INS Processing Center, Queens, New York) contract at the end of March 1995.

Operating expenses increased by 16.4% to $82.3 million in 1995 from $70.7 million in 1994. As a percentage of revenues, operating expenses decreased to 82.8% from 84.1%. This decrease is primarily attributable to a greater mix of design revenue and the expansion of two facilities.

Depreciation and amortization was $2.3 million in both 1995 and 1994.

Contribution from operations increased 34.1% to $14.8 million in 1995 from $11.1 million in 1994. As a percentage of revenues, contribution from operations increased to 14.9% from 13.2%. This increase is attributable to expansions at two facilities, the opening of two facilities in 1995, a full year of operations at two facilities that opened in the second half of 1994 and management fees associated with the development of five facilities.

General and administrative expenses increased by 15% to $7.6 million in 1995 from $6.6 million in 1994. General and administrative expenses decreased to 7.7% of the total revenues in 1995 from 7.9% in 1994.

Operating income increased by 62.6% to $7.2 million in 1995 from $4.4 million in 1994 as a result of the factors described above. As a percentage of revenue, operating income increased to 7.3% from 5.3%.

Interest income was $186,000 in 1995 compared to interest expense of $261,000 in 1994. The decrease in interest expense was principally due to the repayment of intercompany indebtedness in late 1994 and an increase in the Company's cash balance as a result of the application of the IPO proceeds.

Income before income taxes and equity (loss) income of affiliates increased to $7.4 million in 1995 from $4.2 million in 1994 due to the factors described above.

Provision for income taxes increased to $2.9 million in 1995 from $1.7 million in 1994 due to higher taxable income.

Equity loss of affiliates decreased to $113,000 in 1995 from $331,000 in 1994. These losses reflect the activities of Premier Prison Services Ltd. (PPS). Losses were greater in 1994 due to higher than anticipated initial operating costs for the Doncaster, England facility.

Net income increased by 102.5% to $4.4 million in 1995 from $2.2 million in 1994 as a result of the factors described above.

INFLATION

Management believes that inflation has not had a material effect on the Company's results of operations during the past three fiscal years. While some of the Company's contracts include provisions for inflationary indexing, since personnel costs represent the Company's largest expense in the facilities it manages, inflation could have a substantial adverse effect on the Company's results of operations in the future to the extent that wages and salaries increase at a faster rate than the per diem or fixed rates received by the Company for its management services.*

*See note on page 1 regarding forward-looking statements

CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE DATA)

FISCAL YEARS ENDED DECEMBER 29, 1996, DECEMBER 31, 1995, AND JANUARY 1, 1995

	1996	1995	1994
REVENUES	$137,784	$ 99,431	$ 84,026
OPERATING EXPENSES			
Operating expenses (including amounts related to Parent of $3,693, $6,008 and $5,537)	115,848	82,285	70,670
Depreciation and amortization	3,532	2,303	2,287
Contribution from operations	18,404	14,843	11,069
General and administrative expenses (including amounts related to Parent of $1,432, $1,264 and $1,423)	8,673	7,614	6,623
OPERATING INCOME	9,731	7,229	4,446
Interest income (expense) (including interest related to Parent of ($40), $172 and ($166))	2,195	186	(261)
INCOME BEFORE INCOME TAXES AND EQUITY INCOME (LOSS) OF AFFILIATES	11,926	7,415	4,185
PROVISION FOR INCOME TAXES	4,269	2,862	1,661
INCOME BEFORE EQUITY INCOME (LOSS) OF AFFILIATES	7,657	4,553	2,524
EQUITY INCOME (LOSS) OF AFFILIATES, NET OF INCOME TAXES (BENEFIT) OF $378, ($70) and ($207)	604	(113)	(331)
NET INCOME	$ 8,261	$ 4,440	$ 2,193
EARNINGS PER SHARE	$ 0.37	$ 0.25	$ 0.15
WEIGHTED AVERAGE SHARES OUTSTANDING	22,186	17,707	14,692

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(IN THOUSANDS, EXCEPT SHARE DATA)

FISCAL YEARS ENDED DECEMBER 29, 1996, DECEMBER 31, 1995, AND JANUARY 1, 1995

	COMMON STOCK NUMBER OF SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	CUMULATIVE TRANSLATION ADJUSTMENT	TOTAL SHAREHOLDERS' EQUITY
BALANCE, JANUARY 2, 1994	12,000,000	$ 120	$ 2,342	$ 1,750	$ --	$ 4,212
INITIAL PUBLIC OFFERING	4,370,000	44	17,582	--	--	17,626
SPECIAL DIVIDEND TO PARENT	--	--	(2,204)	(2,296)	--	(4,500)
TRANSLATION ADJUSTMENT	--	--	--	--	196	196
NET INCOME	--	--	--	2,193	--	2,193
BALANCE, JANUARY 1, 1995	16,370,000	164	17,720	1,647	196	19,727
TRANSLATION ADJUSTMENT	--	--	--	--	(85)	(85)
PROCEEDS FROM STOCK OPTION EXERCISES	709,394	7	970	--	--	977
TAX BENEFIT RELATED TO EMPLOYEE STOCK OPTIONS	--	--	170	--	--	170
NET INCOME	--	--	--	4,440	--	4,440
BALANCE, DECEMBER 31, 1995	17,079,394	171	18,860	6,087	111	25,229
TRANSLATION ADJUSTMENT	--	--	--	--	305	305
PROCEEDS FROM STOCK OFFERING	4,600,000	46	51,535	--	--	51,581
PROCEEDS FROM STOCK OPTION EXERCISES	258,598	2	764	--	--	766
TAX BENEFIT RELATED TO EMPLOYEE STOCK OPTIONS	--	--	1,827	--	--	1,827
NET INCOME	--	--	--	8,261	--	8,261
BALANCE DECEMBER 29, 1996	21,937,992	$ 219	$ 72,986	$ 14,348	$ 416	$ 87,969

The accompanying notes to consolidated financial statements are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE DATA)

DECEMBER 29, 1996 AND DECEMBER 31, 1995

		1996	1995
ASSETS			
CURRENT ASSETS			
	Cash and cash equivalents	$ 44,368	$ 909
	Accounts receivable	24,879	17,826
	Deferred income taxes, net	--	51
	Other	6,066	3,567
	Total current assets	75,313	22,353
PROPERTY AND EQUIPMENT, NET		18,975	8,211
INVESTMENT IN AND ADVANCES TO AFFILIATES		1,810	400
DEFERRED CHARGES, NET		7,522	4,587
UNAMORTIZED COST IN EXCESS OF NET ASSETS OF ACQUIRED COMPANIES, NET		2,224	2,408
OTHER		967	881
		$106,811	$ 38,840
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
	Accounts payable	$ 4,020	$ 1,852
	Accrued payroll and related taxes	4,558	3,330
	Accrued expenses	3,717	3,705
	Deferred tax liability, net	876	--
	Current portion of long-term debt	12	11
	Total current liabilities	13,183	8,898
DEFERRED INCOME TAXES, NET		5,434	3,733
LONG-TERM DEBT		225	980
COMMITMENTS AND CONTINGENCIES (Note 7)			
SHAREHOLDERS' EQUITY	Preferred stock, $.01 par value, 10,000,000 shares authorized	--	--
	Common stock, $.01 par value, 60,000,000 shares authorized, and 21,937,992, and 17,079,394 shares issued and outstanding in 1996 and 1995, respectively	219	171
	Additional paid-in capital	72,986	18,860
	Retained earnings	14,348	6,087
	Cumulative translation adjustment	416	111
	Total shareholders' equity	87,969	25,229
		$106,811	$ 38,840

The accompanying notes to consolidated financial statements are an integral part of these consolidated balance sheets.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

FISCAL YEARS ENDED DECEMBER 29, 1996, DECEMBER 31, 1995, AND JANUARY 1, 1995

		1996	1995	1994
CASH FLOWS PROVIDED BY (USED IN):				
OPERATING ACTIVITIES	Net Income	$ 8,261	$ 4,440	$ 2,193
	Adjustments to reconcile net income to cash provided by operating activities --			
	Depreciation and amortization expense	3,532	2,303	2,287
	Equity (income) loss of affiliates	(982)	183	538
	Changes in assets and liabilities, net of effect of acquisitions --			
	(Increase) decrease in assets:			
	Accounts receivable	(6,943)	(7,355)	(970)
	Deferred income taxes, net	51	20	(11)
	Other current assets	(2,384)	(1,966)	(755)
	Other assets	34	(76)	(407)
	Increase (decrease) in liabilities:			
	Accounts payable and accrued expenses	2,003	(238)	(224)
	Accrued payroll and related taxes	1,152	1,293	397
	Deferred income taxes, net	4,404	2,741	932
	NET CASH PROVIDED BY OPERATING ACTIVITIES	9,128	1,345	3,980
INVESTING ACTIVITIES	Payment for acquisition, net of cash acquired	--	--	(1,281)
	Investment in affiliates	(428)	(372)	(175)
	Advances to affiliates, net	--	--	(169)
	Capital expenditures	(12,476)	(2,720)	(262)
	Deferred charges expenditures	(4,505)	(3,693)	(989)
	NET CASH USED IN INVESTING ACTIVITIES	(17,409)	(6,785)	(2,876)
FINANCING ACTIVITIES	Net proceeds from issuance of common stock	51,581	--	17,626
	Proceeds from exercise of stock options	766	977	--
	Proceeds from issuance of debt	--	--	6,509
	Retirement of debt	(792)	(381)	(5,349)
	Advances from Parent	102,431	66,502	78,042
	Repayments to Parent	(102,431)	(66,629)	(87,498)
	Dividends paid to Parent	--	--	(4,500)
	NET CASH PROVIDED BY FINANCING ACTIVITIES	51,555	469	4,830
EFFECT OF EXCHANGE RATE CHANGES ON CASH		185	(101)	--
NET INCREASE (DECREASE) IN CASH		43,459	(5,072)	5,934
CASH, BEGINNING OF YEAR		909	5,981	47
CASH, END OF YEAR		$ 44,368	$ 909	$ 5,981
SUPPLEMENTAL DISCLOSURES:				
	Cash paid during the year for:			
	Income taxes	$ --	$ --	$ 600
	Interest	$ --	$ 20	$ 261
	Non-cash activities:			
	Note receivable from affiliate received in exchange for the Company's accounts receivable	$ --	$ --	$ (4,000)
	Note payable in connection with purchase of land	$ --	$ --	$ 262
	Impact on equity from tax benefit related to the exercise of stock options issued under the Company's non-qualified stock option plan	$ 1,827	$ 170	$ --

The accompanying notes to consolidated financial statements are an integral part of these statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(TABULAR INFORMATION: IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

FOR THE FISCAL YEARS ENDED DECEMBER 29, 1996, DECEMBER 31, 1995, AND JANUARY 1, 1995

(1) GENERAL

Wackenhut Corrections Corporation, a Florida corporation, and subsidiaries (Company), a majority owned subsidiary of The Wackenhut Corporation (TWC or Parent), is a leading developer and manager of privatized correctional and detention facilities located in the United States, the United Kingdom and Australia.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FISCAL YEAR

The Company's fiscal year ends on the Sunday closest to the calendar year end. Fiscal 1996, 1995 and 1994 each included 52 weeks.

BASIS OF FINANCIAL STATEMENT PRESENTATION

The consolidated financial statements include the accounts of the Company and its subsidiaries. Investments in 20 percent to 50 percent owned affiliates are accounted for under the equity method. All significant intercompany transactions and balances between the Company and its subsidiaries have been eliminated in consolidation. Certain prior year amounts have been reclassified to conform with current year presentation.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, less accumulated depreciation. Maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of related assets. Accelerated methods of depreciation are generally used for income tax purposes.

UNAMORTIZED COST IN EXCESS OF
NET ASSETS OF ACQUIRED COMPANIES

The unamortized cost in excess of net assets acquired arose in connection with the purchase of 100% ownership of the former Australian joint ventures as discussed in Note 4 and is being amortized over 10 years. Accumulated amortization totaled approximately $969,000 and $599,000 at December 29, 1996 and December 31, 1995, respectively.

DEFERRED CHARGES

Facility start-up costs, which consist of costs of initial employee training, travel and other direct expenses incurred in connection with the opening of new facilities, are capitalized and amortized on a straight-line basis over the lesser of the initial term of the contract plus renewals or five years. The Company provided approximately $1,685,000 for the renovation of a building for use as a correctional facility by a county authority. The completed correctional facility is managed by the Company and the related costs are being amortized over the contract term plus renewals. In addition, the Company has capitalized $562,000 in costs incurred to refinance bonds issued by an independent governmental authority for the construction of two correctional facilities. These costs are being amortized over 10 years. Accumulated amortization totaled $4,440,000 and $2,869,000 in Fiscal 1996 and 1995, respectively.

Project development costs consisting of direct and incremental costs paid to unrelated third parties that can be directly associated with a specific anticipated contract are deferred until the anticipated contract has been awarded. At the time the contract is awarded to the Company, the deferred project development costs are either capitalized as part of property and equipment or are amortized over five years as project development costs. Internal costs associated with securing new contracts are expensed as incurred. Project development costs are charged to general and administrative expenses when the success of obtaining a new contract is considered doubtful.

REVENUES AND OPERATING PROFIT

Facility management revenues are recognized as services are provided based on a net rate per day per inmate or on a fixed monthly rate. Project development and design revenues are recognized as earned on a percentage of completion basis. During Fiscal 1996, 1995, and 1994, the various agencies of the State of Texas accounted for 39%, 37% and 41%, respectively, of the Company's revenues. During Fiscal 1996, 1995 and 1994, contracts with the Louisiana Department of Public Safety and Corrections accounted for 9%, 11% and

13% respectively, of the Company's revenues. Contracts with the New South Wales Department of Corrective Services accounted for 10%, 13% and 15% of the Company's revenues in Fiscal 1996, 1995 and 1994, respectively. Contracts with the Queensland Corrective Services Commission accounted for 11%, 13% and 13% of the Company's revenues in Fiscal 1996, 1995 and 1994. Concentration of credit risk related to accounts receivable is reflective of the related revenues.

INCOME TAXES

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes. Under this method, deferred income taxes are determined on the estimated future tax effects of differences between the financial reporting and tax basis of assets and liabilities given the provisions of enacted tax laws. Deferred income tax provisions and benefits are based on changes to the asset or liability from year to year.

EARNINGS PER SHARE

Earnings per share have been computed by dividing net income by the average number of shares of common stock and common stock equivalents outstanding after giving retroactive effect to the stock splits effected in Fiscal 1994 and 1996. Common stock equivalents include all outstanding stock options after applying the treasury stock method. Stock options issued by the Company have been considered outstanding for all periods presented. Dilution of earnings per share that could result from exercise of stock options using fair value as of the end of each fiscal year after applying the treasury stock method is not material.

CONSOLIDATED STATEMENTS OF CASH FLOWS

The Company classifies as cash equivalents all interest-bearing deposits or investments with original maturities of three months or less.

FOREIGN CURRENCY TRANSLATION

The Company's foreign operations use the local currency as their functional currency. Assets and liabilities of the operations are translated at the exchange rates in effect on the balance sheet date. Income statement items are translated at the average exchange rates for the year. The impact of currency fluctuation is included in shareholders' equity as a translation adjustment.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of cash, accounts receivable, accounts payable, and long-term debt approximates fair value.

IMPAIRMENT OF LONG-LIVED ASSETS

In 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 121 ("SFAS 121") "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." SFAS 121 requires that long-lived assets, including certain identifiable intangibles, and the goodwill related to those assets, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable. Management has reviewed the Company's long-lived assets and has determined that there are no events requiring impairment loss recognition.

(3) PROPERTY AND EQUIPMENT

Property and equipment consist of the following at fiscal year end:

	Years	1996	1995
Land	--	$ 1,698	$ 814
Building and improvements	20 - 40	16,430	6,665
Equipment	3 - 20	2,677	1,992
Furniture and fixtures	3 - 20	1,251	820
		22,056	10,291
Less -- accumulated depreciation		(3,081)	(2,080)
		$ 18,975	$ 8,211

(4)DOMESTIC AND INTERNATIONAL OPERATIONS

A summary of domestic and international operations is presented below:

	1996	1995	1994
Revenues			
Domestic operations	$108,245	$ 72,852	$ 60,922
International operations	29,539	26,579	23,104
Total revenues	137,784	99,431	84,026

Operating Income			
Domestic operations	7,087	4,501	2,120
International operations	2,644	2,728	2,326
Total operating income	9,731	7,229	4,446
Assets			
Domestic operations	96,872	30,641	24,020
International operations	9,939	8,199	6,313
Total assets	$106,811	$ 38,840	$ 30,333

In January 1994, the Company increased its ownership in Australasian Correctional Management Pty, Ltd. (ACM), one of the Australian joint ventures, from 50% to 100% at a cost of approximately $2,464,000. The acquisition was financed through borrowings of approximately $1,993,000, as discussed in Note 6, and cash. The results of operations of ACM have been included in the consolidated results of operations of the Company from January 3, 1994.

The Company's 50% owned United Kingdom joint venture (Premier Prison Services, Ltd.), accounted for under the equity method, commenced management of a correctional facility in Fiscal 1994 and two court escort and transport contracts in Fiscal 1996. Equity in the undistributed income (loss) for fiscal years 1996, 1995 and 1994 was $982,000, ($183,000) and ($538,000) respectively.

A summary of financial data for the Company's equity affiliates is as follows:

	1996	1995	1994
Revenues	$ 28,953	$17,705	$ 11,518
Operating income (loss)	1,764	(353)	(1,096)
Net income (loss) after adjustment for U.S. income taxes	1,208	(226)	(662)
Working capital	4,627	(522)	(1,476)
Total assets	13,682	2,132	3,420

The Company provided management services to the U.K. affiliate in Fiscal 1996. The management fees for such services totaled $450,000.

(5) Income Taxes

The provision for income taxes in the consolidated statements of income consists of the following components:

	1996	1995	1994
Federal Income Taxes:			
Current	$ --	$ --	$ 489
Deferred	3,588	2,497	950
	3,588	2,497	1,439
State Income Taxes:			
Current	30	30	96
Deferred	488	335	126
	518	365	222
Foreign Income Taxes	163	--	--
Total	$4,269	$2,862	$1,661

Deferred income taxes result from temporary differences in the recognition of revenue and expense for tax and financial reporting purposes. The principal temporary differences and their tax effects are summarized as follows:

	1996	1995	1994
Amortization of deferred charges	$ 1,561	$ 1,605	$ 354
Income of foreign subsidiary	617	1,062	672
NSO benefit, booked to equity	1,827	170	--
Other, net	71	(5)	50
	$ 4,076	$ 2,832	$ 1,076

A reconciliation of the statutory U.S. federal tax rate (34.0%) and the effective income tax rate is as follows:

	1996	1995	1994
Provision using statutory federal income tax rate	$ 4,054	$ 2,521	$ 1,423
State income tax	508	354	222
Effect of foreign operations, net of foreign income tax provision	(264)	--	--
Other, net	(29)	(13)	16

	$ 4,269	$ 2,862	$ 1,661

The components of the net current deferred income tax liability/(asset) at fiscal year end are as follows:

	1996	1995
Uniforms	$ 160	$ 114
Accrued vacation	(123)	(119)
Deferred charges	895	--
Other	(56)	(46)
	$ 876	$ (51)

The components of the net non-current deferred income tax liability at fiscal year end are as follows:

	1996	1995
Depreciation	$ (153)	$ (192)
Deferred charges	2,724	2,057
Income of foreign subsidiaries and affiliates	2,911	1,916
Other, net	(48)	(48)
	$ 5,434	$ 3,733

As of December 29, 1996, the Company had federal and state net operating loss carryforwards of approximately $9,533,894 and $9,238,521, respectively. The federal net operating losses will expire between 2010 and 2011, while certain state net operating losses will expire between 2000 and 2011. Utilization of net operating losses in future years may be subject to annual limitations due to the ownership change limitations provided by the Internal Revenue Code of 1986 and similar state provisions. Such limitations, if any, are not expected to impact the ultimate utilization of the carryforwards.

The Company's loss carry forwards are attributable to compensation deductions on its income tax return which were not recognized for financial accounting purposes. The exercise of non-qualified stock options which have been granted under the Company's stock option plans give rise to compensation which is includable in the taxable income of the applicable employees and deducted by the Company for federal and state income tax purposes. Such compensation results from increases in the fair market value of the Company's common stock subsequent to the date of grant. In accordance with Accounting Principles Board Opinion No. 25, such compensation is not recognized as an expense for financial accounting purposes and related tax benefits are credited directly to additional paid-in-capital. In the years ended December 29, 1996 and December 31, 1995, such deductions resulted in significant federal and state deductions which may be carried forward. Utilization of such deductions will increase additional paid-in-capital.

At December 29, 1996, the Company's foreign subsidiaries have unremitted earnings of approximately $1,300,000 on which the Company has not accrued a provision for federal or state income taxes since the earnings are considered permanently invested.

(6) Long-Term Debt

Long-term debt consists of the following:

	1996	1995
Australian credit facility	$ --	$744
Note payable for property - 8%	237	247
	237	991
Less - current portion	12	11
	225	$980

In January 1994, the Company entered into an Australian $3,500,000 credit facility with a bank. The credit facility bore interest at the bank bill rate plus 0.4% and matured in January 1997. The credit facility was secured by an irrevocable standby letter of credit guaranteed by TWC. Approximately $1,993,000 of the credit facility was utilized to purchase 100% ownership of the Australian joint venture discussed in Note 4. On February 20, 1995, the Corporation repaid $500,000 Australian (approximately $374,000 United States) of the credit facility. In May 1996, the Company repaid the remaining $1,000,000 Australian (approximately $773,400 United States) of the credit facility. The Company is subject to foreign currency transaction gains and losses depending on changes in exchange rates between U.S. and Australian currencies. Foreign currency transactions gains or losses have not been material during the years presented.

The Company borrowed $4,500,000 to pay a special dividend to TWC in May 1994. The borrowings were repaid in August 1994 with IPO proceeds as discussed in Note 9.

In June 1994, the Company signed an unsecured note payable in the amount of $262,000 for the purchase of land for the construction of a correctional facility. The note bears interest at 8.0% and matures in July 2009. The Company makes monthly principal and interest payments of $2,504.

In December 1994, the Company entered into a $15,000,000 revolving credit facility with a bank. The revolving credit facility matures November 30, 1997 at which time the outstanding principal balance under the facility may be converted to a term loan which will mature September 30, 2002. Indebtedness under this facility will bear interest at the prime rate or Eurodollar rate, plus 0.75%. There are no prepayment penalties associated with the credit facility. The facility requires the Company to, among other things, maintain a maximum leverage ratio; minimum debt service coverage, working capital and interest charge coverage ratios; and a minimum tangible net worth. The facility also limits certain payments and distributions. No amounts were outstanding at December 29, 1996. However, at December 29, 1996, the Company had outstanding two standby letters of credit under this revolving credit facility in an aggregate amount of approximately $100,000.

Aggregate annual maturities of long-term debt are as follows:

Fiscal Year	Annual Maturity
1997	$ 12
1998	12
1999	13
2000	15
2001	16
Thereafter	169

	$ 237

(7) COMMITMENTS AND CONTINGENCIES

The nature of the Company's business results in claims for damages arising from the conduct of its employees or others. In the opinion of management, there are no pending legal proceedings that would have a material effect on the consolidated financial statements of the Company.

The Company leases office space, data processing equipment and automobiles under non-cancelable operating leases expiring between 1997 and 2001. The future minimum commitments under these leases are as follows:

FISCAL YEAR	ANNUAL RENTAL
1997	$2,652
1998	2,090
1999	1,855
2000	983
2001	820
	$8,400

Rent expense was approximately $2,143,000 $1,512,000, and $926,000 for Fiscal 1996, 1995, and 1994, respectively.

The Company contracted with third parties to provide meals for inmates at two correctional facilities operated by the Company under agreements expiring in 1995 and 1996. Food service expense related to these agreements was $53,000, $580,000 and $881,000 in Fiscal 1996, 1995, and 1994, respectively.

(8) COMMON AND PREFERRED STOCK

On April 25, 1996, the Company's Board of Directors declared a two-for-one stock split effected in the form of a 100% common stock dividend paid on June 4, 1996. Except as otherwise noted, all share data relating to the Company's common stock has been restated to reflect the two-for-one stock split.

In April 1994, the Company's Board of Directors authorized an increase in common stock to 60,000,000 shares and reduced the par value from $.10 to $.01. In addition, the Board of Directors declared a 6,000-to-1 stock split which has been reflected retroactively for all years in the accompanying consolidated financial statements. The Board of Directors also authorized 10,000,000 shares of "blank check" preferred stock. The Board of Directors is authorized to determine the rights and privileges of any future issuance of preferred stock such as voting and dividend rights, liquidation privileges, redemption rights and conversion privileges.

The Company follows the practice of recording amounts received upon the exercise of stock options by crediting common stock and additional paid-in capital. No charges are reflected in the consolidated statements of income as a result of the grant of stock options, since all grants under the Company's stock option plans (Note 11) have been made at not more than the fair value at the date of grant. The Company realizes an income tax benefit from the exercise of certain stock options of the Company's non-qualified stock options. Since no compensation cost resulted from the grant of stock options in Fiscal 1995 and 1996, this benefit results in a decrease in current income taxes payable and an increase in additional paid-in capital.

(9) PUBLIC OFFERING

In January 1996, the Company sold 4,600,000 shares of its common stock in connection with its offering at a price of $12.00 per share, before deducting underwriting discounts and commissions and estimated offering expenses. The net proceeds from the offering of approximately $51,581,000 have been and will be used for possible future acquisitions, capital investments in new facilities, working capital requirements and general corporate purposes.

In July and September 1994, the Company sold 4,370,000 shares of its common stock in connection with its IPO at an offering price of $4.50 per share, before deducting underwriting discounts and commissions and estimated offering expenses. The net proceeds from the IPO of $17,626,000 were used to retire indebtedness to the Parent of $9,900,000, to repay bank debt incurred to fund a special dividend to TWC of $4,500,000, and $3,226,000 for general corporate purposes, including working capital.

(10) RELATED PARTY TRANSACTIONS

Related party transactions occur in the normal course of business between the Company and TWC. Such transactions include the purchase of goods and services and corporate costs for management support, office space, insurance and interest expense.

The Company incurred the following expenses related to transactions with TWC in the following years:

DESCRIPTION	1996	1995	1994
Food services	$ 450	$ 3,903	$ 4,191
General and administrative expenses	1,100	1,093	1,269
Casualty insurance premiums	3,306	2,169	1,393
Interest (income) charges	40	(172)	166
Rent	269	106	106

	$ 5,165	$ 7,099	$ 7,126

Food services represent charges for meals for inmates at certain correctional facilities operated by the Company. In third quarter 1995, the Company began to provide its own in-house food services at all but two of its facilities. General and administrative expenses represent charges for management and support services. Beginning in Fiscal 1994, TWC provided various general and administrative services to the Company under a Services Agreement (1994 Agreement) dated January 3, 1994. The 1994 Agreement expired December 31, 1995 but was replaced by a new Services Agreement (1996 Agreement) effective January 1, 1996. The 1996 Agreement expires December 31, 1997 and provides for one year renewal periods at the Company's option. Fiscal 1996 expenses under the 1996 Agreement were $1,100,000. Fiscal 1997 expenses under the 1996 Agreement will be $1,200,000. Fiscal 1995 and Fiscal 1994 expenses under the 1994 Agreement were $1,093,000 and $1,269,000, respectively. Casualty insurance premiums related to workers' compensation, general liability and automobile insurance coverage are provided through an insurance subsidiary of TWC. In addition, the Company is charged or charges interest on intercompany indebtedness at rates which reflect TWC's average interest costs on long-term debt, exclusive of mortgage financing. For purposes of computing interest expense prior to the IPO, it had been assumed that the Company debt was 50% of total capital. Subsequent to the IPO, interest (income) expense is calculated based on the average intercompany indebtedness. The Company's corporate offices are located in TWC's corporate office building for which it is allocated rent based upon space occupied under the 1994 and 1996 Agreements.

Management believes that the difference between these expenses and those that would have been incurred on a stand alone basis is not material.

(11) STOCK OPTIONS

The Company has three stock option plans, the Wackenhut Corrections Corporation 1994 Stock Option Plan (First Plan), the Wackenhut Corrections Corporation Stock Option Plan (Second Plan) and the 1995 Non-Employee Director Stock Option Plan (Third Plan).

Under the First Plan, the Company may grant up to 897,600 shares of common stock to key employees and consultants. Under the Second Plan, the Company may grant options to key employees and consultants for up 1,500,000 shares of common stock. Under the Third Plan, the Company may grant up to 60,000 shares of common stock to non-employee directors of the Company. Options for all three plans are granted at prices not less than fair value at date of grant. A summary of additional grant terms follows:

	FIRST PLAN	SECOND PLAN			THIRD PLAN	
DATE OF GRANT	3/1/94	5/6/94	12/19/95	4/25/96	4/27/95	4/25/96
OPTIONS GRANTED	897,600	698,126	338,000	50,000	5,000	10,000
EXERCISE PRICE	$ 1.20	$ 3.75	$ 11.88	$ 22.63	$ 13.75	$ 22.63
VESTING PERIOD	100% after 6 months	100% after 6 months	Rataby over 5 years	Rataby over 5 years	100% immediately	100% immediately
MAXIMUM TERM	10 years after date of grant	10 years after date of grant	10 years after date of grant	10 years after date of grant	10 years after date of grant	10 years after date of grant

A summary of the status of the Company's three stock option plans as of January 1, 1995, December 31, 1995 and December 29, 1996, and changes during the years then ended is presented below:

	1996		1995		1994	
	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price
Outstanding at beginning of year	1,210,132	$ 5.58	1,595,726	$ 2.32	--	$ --
Granted	60,000	22.63	343,000	11.90	1,595,726	2.32
Exercised	258,598	2.96	709,394	1.38	--	--
Forfeited/Cancelled	24,000	12.77	19,200	2.32	--	--
Outstanding at end of year	987,534	7.13	1,210,132	5.58	1,595,726	2.32
Options exercisable at year end	744,734	--	939,732	--	1,595,726	--

The following table summarizes information about the stock options outstanding at December 29, 1996:

	OUTSTANDING			EXERCISABLE	
RANGE OF EXERCISE PRICES	SHARES AT 12/29/96	WTD. AVG. REMAINING CONTRACTUAL LIFE	WTG. AVG. EXERCISE PRICE	SHARES AT 12/29/96	WTD. AVG. EXERCISE PRICE
$ 1.20	104,906	7.2	$ 1.20	104,906	$ 1.20
3.75	516,628	7.3	3.75	516,628	3.75
11.88	304,000	9.0	11.88	101,200	11.88
13.75	4,000	8.3	13.75	4,000	13.75
22.63	58,000	9.3	22.63	18,000	22.63
	987,534			744,734	

The Company accounts for these plans under APB Opinion No. 25, under which no compensation cost has been recognized. Had compensation cost for these plans been determined based on the fair value at date of grant in accordance with FASB Statement No. 123, the Company's net income and earnings per share would have been reduced to the pro forma amounts.

Because the Statement 123 method of accounting has not been applied to options granted prior to January 1, 1995, the resulting pro forma compensation cost may not be representative of that to be expected in future years.

PRO FORMA DISCLOSURES	1996	1995
Pro forma net earnings	$ 7,750	$ 3,916
Pro forma net earnings per share	0.35	0.22
Pro forma weighted average fair value of options granted	$ 11.80	$ 6.28
Risk Free interest rates	6.25%-6.55%	6.20%-6.51%
Expected lives	4-8 years	4-8 years
Expected volatility	46%	46%

(12)SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

Selected quarterly financial data for the Company and its subsidiaries for the fiscal years ended December 29, 1996 and December 31, 1995 is as follows:

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
1996				
REVENUES	$29,433	$33,416	$36,785	$38,149
OPERATING INCOME	1,719	1,913	2,939	3,160
NET INCOME	1,468	1,814	2,411	2,568
EARNINGS PER SHARE	0.07	0.08	0.11	0.11
1995				
REVENUES	$23,474	$22,570	$25,757	$27,630
OPERATING INCOME	1,590	1,818	1,925	1,896
NET INCOME	928	1,072	1,195	1,245
EARNINGS PER SHARE	0.06	0.06	0.06	0.07

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders of Wackenhut Corrections Corporation:

We have audited the accompanying consolidated balance sheets of Wackenhut Corrections Corporation (a Florida corporation) and subsidiaries as of December 29, 1996 and December 31, 1995, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three fiscal years in the period ended December 29, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the Company's 50% owned affiliate, Premier Prison Services, Ltd. as of January 1, 1995. The Company's equity in the net loss in 1994 represents 15% of the Company's fiscal 1994 net income. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for that entity, is based solely on the report of the other auditors.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we 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 and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Wackenhut Corrections Corporation and subsidiaries as of December 29, 1996 and December 31, 1995, and the results of their operations and their cash flows for each of the three fiscal years in the period ended December 29, 1996, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

West Palm Beach, Florida,
January 31, 1997.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

To the Shareholders of Wackenhut Corrections Corporation:

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles. They include amounts based on judgments and estimates.

Representations in the financial statements and the fairness and integrity of such statements are the responsibility of management. In order to meet management's responsibility, the Company maintains a system of internal controls and procedures and a program of internal audits designed to provide reasonable assurance that the Company's assets are controlled and safeguarded, that transactions are executed in accordance with management's authorization and properly recorded, and that accounting records may be relied upon in the preparation of financial statements.

The financial statements have been audited by Arthur Andersen LLP, independent public accountants, whose appointment was ratified by shareholders. Their report expresses a professional opinion as to whether management's financial statements considered in their entirety present fairly, in conformity with generally accepted accounting principles, the Company's financial position and results of operations. Their audit was conducted in accordance with generally accepted auditing standards. As part of this audit, Arthur Andersen LLP considered the Company's system of internal controls to the degree they deemed necessary to determine the nature, timing and extent of their audit tests which support their opinion on the financial statements.

The Audit Committee of the Board of Directors meets periodically with representatives of management, the independent public accountants and the Company's internal audit or store view matters relating to financial reporting, internal accounting controls and auditing. Both the internal auditors and the independent public accountants have unrestricted access to the Audit Committee to discuss the results of their reviews.

/s/ George R. Wackenhut	/s/ Jerry O'Rourke
George R. Wackenhut Chairman of the Board	Jerry O'Rourke Senior Vice President, Chief Financial Officer and Treasurer

EXHIBIT 24.1

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ NORMAN CARLSON

NORMAN A. CARLSON - DIRECTOR   DATE: MARCH 16, 1997

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ BENJAMIN R. CIVILETTI

BENJAMIN R. CIVILETTI - DIRECTOR   DATE: MARCH 11, 1997

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ MANUEL J. JUSTIZ

MANUEL J. JUSTIZ - DIRECTOR   DATE: MARCH 9, 1997

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ DR. FLORETTA D. MCKENZIE

DR. FLORETTA D. MCKENZIE - DIRECTOR   DATE: MARCH 10, 1997

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ JOHN F. RUFFLE
- ------------------------------------
JOHN F. RUFFLE - DIRECTOR   DATE: MARCH 17, 1997

POWER OF ATTORNEY

THE UNDERSIGNED MEMBER OF THE BOARD OF DIRECTORS OF WACKENHUT CORRECTIONS CORPORATION HEREBY CONSTITUTES AND APPOINTS JOHN G. O'ROURKE, DAVID N. T. WATSON, AND JAMES P. ROWAN AND EACH OF THEM SEVERALLY, HIS TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION FOR HIM AND IN HIS NAME, PLACE AND STEAD, IN ANY AND ALL CAPACITIES TO SIGN ANY AND ALL REPORTS OF FORM 10-K (ANNUAL REPORT PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934) AND ANY AMENDMENTS THERETO, AND TO FILE THE SAME, WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THERE-WITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY TO ALL INTENTS AND PURPOSES AS HE MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS OR ANY OF THEM, OR THEIR OR HIS SUBSTITUTE OR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

/S/ ANTHONY P. TRAVISONO

ANTHONY P. TRAVISONO - DIRECTOR   DATE: MARCH 7, 1997

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT DECEMBER 29, 1996 AND THE CONSOLIDATED STATEMENT OF INCOME FOR THE FISCAL YEAR ENDED DECEMBER 29, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR
DEC-29-1996
JAN-01-1996
DEC-29-1996
44,368
0
24,879
0
0
75,313
22,056
3,081
106,811
13,183
237
0
0
219
87,750
106,811
0
137,784
0
119,380
0
0
0
11,926
4,269
8,261
0
0
0
8,261
.37
.37