

SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the Period of February 1, 1996 - December 31, 1996

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from \_\_\_\_ to \_\_\_\_\_

Commission file number 1-3523

A. Full title of the Plan:

WESTAR SECURITY SERVICES, INC.  
401(K) PROFIT SHARING PLAN

B. Name of issuer of the securities held  
pursuant to the plan and the address  
of its principal executive office:

WESTERN RESOURCES, INC.  
818 Kansas Avenue  
Topeka, Kansas 66612

EIN: 48-1123483  
PN: 001

WESTAR SECURITY SERVICES, INC.

401(K) PROFIT SHARING PLAN

FINANCIAL STATEMENTS FOR THE PERIOD

FROM INCEPTION THROUGH DECEMBER 31, 1996

TOGETHER WITH REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS



Report of Independent Public Accountants

To the Investment and Benefits Committee of  
Westar Security Services, Inc. 401(k) Profit Sharing Plan:

We have audited the accompanying statement of net assets available for benefits of WESTAR SECURITY SERVICES, INC. 401(K) PROFIT SHARING PLAN as of December 31, 1996, the related statement of changes in net assets available for benefits for the period from inception through December 31, 1996. These financial statements and the schedules referred to below are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1996, and the changes in net assets available for benefits for the period from inception through December 31, 1996, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes as of December 31, 1996 and reportable transactions for the period then ended are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kansas City, Missouri,  
June 20, 1997

EIN: 48-1123483

PN: 001

WESTAR SECURITY SERVICES, INC.

401(K) PROFIT SHARING PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1996

ASSETS

INVESTMENTS:

|                                                              |            |
|--------------------------------------------------------------|------------|
| Vanguard Windsor Fund                                        | \$ 39,225  |
| Western Resources, Inc. Common<br>Stock Fund                 | 50,959     |
| Vanguard Wellington Fund                                     | 15,176     |
| Vanguard Index Trust 500 Portfolio Fund                      | 20,619     |
| Vanguard PRIMECAP Fund                                       | 17,810     |
| Fidelity Magellan Fund                                       | 20,330     |
| Vanguard Investment Contract Fund                            | 543        |
| Vanguard Money Market Reserves, Prime Portfolio<br>Loan Fund | 303<br>484 |
|                                                              | -----      |
| Total Investments                                            | 165,449    |
| DIVIDENDS RECEIVABLE                                         | 1,111      |
| NET ASSETS AVAILABLE FOR BENEFITS                            | \$166,560  |

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

EIN: 48-1123483  
PN: 001

WESTAR SECURITY SERVICES, INC.

401(K) PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE PERIOD FROM INCEPTION THROUGH DECEMBER 31, 1996

|                                                           |           |
|-----------------------------------------------------------|-----------|
| NET ASSETS AVAILABLE FOR<br>BENEFITS, beginning of period | \$ -      |
| ADDITIONS:                                                |           |
| INVESTMENT INCOME-                                        |           |
| Net Appreciation in Fair<br>Value of Investments          | 5,973     |
| Interest                                                  | 565       |
| Dividends                                                 | 9,692     |
|                                                           | -----     |
| Total Investment Income                                   | 16,230    |
| PARTICIPANT CONTRIBUTIONS                                 | 45,190    |
| Total Additions                                           | 61,420    |
| DEDUCTIONS:                                               |           |
| BENEFITS PAID                                             | (2,697)   |
| OTHER                                                     | (150)     |
| Total Deductions                                          | (2,847)   |
| TRANSFERS:                                                |           |
| TRANSFERS FROM OTHER PLANS                                | 107,987   |
| NET INCREASE                                              | 166,560   |
| NET ASSETS AVAILABLE FOR<br>BENEFITS, end of period       | \$166,560 |

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

WESTAR SECURITY SERVICES, INC.

401(K) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996

(1) PLAN DESCRIPTION:

The following brief description of the Westar Security Services, Inc. 401(k) Profit Sharing Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan document for more complete information.

(a) General--In 1995, Western Resources, Inc. (WRI) acquired two security service providers, Mobilfone Security of Topeka and Communications & Signaling, Inc. (CSI), which together formed the WRI subsidiary, Westar Security Services, Inc. (the Company). This defined contribution plan was established for employees of the Company effective February 1, 1996.

All employees, except part-time employees, are eligible to participate in the Plan after ninety days of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

(b) Contributions--Participants are allowed to make elective deferral contributions of between 1% and 14% of taxable wages subject to certain Internal Revenue Code limits. These contributions effectively reduce a participant's taxable wages because they are withheld from earnings on a pre-tax basis. An employee may transfer a qualifying rollover distribution to the Trustee under the Plan subject to terms and conditions of the Plan.

The Company may make qualified nonelective employer contributions or regular employer contributions at its discretion. In order to share in either employer contribution, the eligible employee must be an employee of the Company on the last day of the Plan year and must have completed 1,000 hours of service during the Plan year.

Participants are fully vested in elective deferral contributions, qualified nonelective employer contributions, and amounts representing qualifying rollover distributions.

(c) Investment Funds--Participants may elect to have their contributions and the Company's qualified non-elective contributions invested in the funds listed below, excluding the Loan Fund.

The Vanguard Investment Contract Trust seeks to preserve the value of an investment and provide an attractive level of interest by investing in investment contracts issued by financial institutions and in contracts backed by high-quality bonds and bond mutual funds.

The Vanguard/Windsor Fund is a diversified equity fund invested in equity securities providing dividend and capital appreciation income.

The Vanguard Money Market Reserves, Prime Portfolio is a money market fund invested in commercial paper and certificates of deposit.

The Western Resources, Inc. Common Stock Fund provides the possibility of long-term growth through increases in the value of the stock and the reinvestment of its dividends. A portion of the fund may also be invested in cash reserves, such as money market instruments, to accommodate daily transactions.

The Loan Fund is a conduit for the distribution and repayment of loan proceeds. The investments in the fund represent loans due from participants.

The Vanguard/Wellington Fund is a balanced fund which invests in stocks for potential capital growth and dividend income and in bonds for current income potential and conservation of principal.

The Vanguard Index Trust-500 Portfolio is a growth and income fund which seeks to provide long-term capital growth. The Vanguard Index Trust-500 Portfolio attempts to provide investment results that correspond to the price and yield performance of publicly traded stocks, in the aggregate, as represented by the Standard & Poor's Composite Stock Price Index.

The Vanguard/PRIMECAP Fund is a growth fund seeking long-term growth of capital by investing principally in a portfolio of common stocks.

The Fidelity Magellan Fund is a diversified equity fund invested in equity securities providing long-term capital appreciation.

The above funds are managed by Vanguard Fiduciary Trust Company except the Fidelity Magellan Fund which is managed by Fidelity Investments Institutional Services Company. All investments are stated at quoted market values, except as follows. Investments in Vanguard Investment Contract Trust and Vanguard Money Market Reserves, Prime Portfolio are stated at cost which approximates market value as determined by Vanguard Fiduciary Trust Company. Investments in the Loan Fund are stated at face value.

(d) Loans to Participants--In accordance with Plan provisions participants are permitted to borrow a specified portion of the vested balances in their individual accounts. Loans are evidenced by promissory notes payable to the Plan.

(e) Income Taxes--The Plan has not yet obtained a determination letter from the Internal Revenue Service. The Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, no provision for income taxes has been included in these financial statements.

(f) Plan Termination--The Company is free to terminate the Plan at any time.

## (2) SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Accounting--The Plan's financial statements are maintained on the accrual basis. Employee contributions are accrued as the

employees' salaries are earned. Upon retirement, death, disability or termination of employment, all vested balances are paid to the participant or his beneficiaries in accordance with Plan terms.

(b) 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.

(c) Participant Accounts--A separate account is maintained for each participant. Allocations to participant accounts for employee contributions are made when the contributions are received by the trustee. Allocations to participant accounts for the net of interest dividends, realized and unrealized changes in investment market value and Plan expenses are made when such amounts are earned or incurred.

Forfeitures arise when participants leave the Plan before any discretionary Company contributions become fully vested. Forfeitures are reallocated to the accounts of all participants entitled to share in the employer contribution.

(d) Administrative Expenses--All administrative expenses of the Plan are paid by the Company with the exception of loan administrative charges which will be paid by the participants. The Company has no continuing obligation to pay these expenses.

(3) ASSET TRANSFERS:

The accounts of participants who change employment status and new employees with assets in previous employers' qualified plans are transferred into the Plan in accordance with Plan provisions.

(4) FUND INFORMATION:

The following tables present changes in net assets available for benefits in fund detail for December 31, 1996.



## (4) Fund Information (continued):

Period Ended December 31, 1996

|                                                                    | Investment<br>Contract | Windsor   | Money<br>Market<br>Reserves | Company<br>Common<br>Stock | Loans  |
|--------------------------------------------------------------------|------------------------|-----------|-----------------------------|----------------------------|--------|
| <b>ADDITIONS</b>                                                   |                        |           |                             |                            |        |
| Investment Income:                                                 |                        |           |                             |                            |        |
| Net appreciation<br>(depreciation) in fair<br>value of investments | \$ -                   | \$ 2,181  | \$ -                        | \$ 602                     | \$ -   |
| Interest                                                           | 13                     | -         | 30                          | 505                        | 17     |
| Dividends                                                          | -                      | 3,660     | -                           | 734                        | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
|                                                                    | 13                     | 5,841     | 30                          | 1,841                      | 17     |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Participant Contributions                                          | 530                    | 7,862     | 580                         | 15,562                     | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Total additions                                                    | 543                    | 13,703    | 610                         | 17,403                     | 17     |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| <b>DEDUCTIONS</b>                                                  |                        |           |                             |                            |        |
| Benefits Paid                                                      | -                      | (12)      | (1,193)                     | (420)                      | -      |
| Other                                                              | -                      | -         | -                           | -                          | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Total deductions                                                   | -                      | (12)      | (1,193)                     | (420)                      | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Net increase (decrease)<br>prior to transfers                      | 543                    | 13,691    | (583)                       | 16,983                     | 17     |
| <b>TRANSFERS</b>                                                   |                        |           |                             |                            |        |
| Interfund Transfers                                                | -                      | -         | -                           | (370)                      | 467    |
| Transfers-other plans                                              | -                      | 25,534    | 886                         | 34,346                     | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Total transfers                                                    | -                      | 25,534    | 886                         | 33,976                     | 467    |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| Net Increase                                                       | 543                    | 39,225    | 303                         | 50,959                     | 484    |
| Net assets available for benefits:                                 |                        |           |                             |                            |        |
| Beginning of period                                                | -                      | -         | -                           | -                          | -      |
|                                                                    | -----                  | -----     | -----                       | -----                      | -----  |
| End of period                                                      | \$ 543                 | \$ 39,225 | \$ 303                      | \$ 50,959                  | \$ 484 |
|                                                                    | =====                  | =====     | =====                       | =====                      | =====  |

(Continued)

## (4) Fund Information (continued):

Period Ended December 31, 1996

|                                                                    | Wellington | Index Trust<br>500<br>Portfolio | PRIMECAP  | Magellan  |
|--------------------------------------------------------------------|------------|---------------------------------|-----------|-----------|
| <b>ADDITIONS</b>                                                   |            |                                 |           |           |
| Investment Income:                                                 |            |                                 |           |           |
| Net appreciation<br>(depreciation) in fair<br>value of investments | \$ 427     | \$ 2,105                        | \$ 1,451  | \$ (793)  |
| Interest                                                           | -          | -                               | -         | -         |
| Dividends                                                          | 943        | 307                             | 504       | 2,433     |
|                                                                    | -----      | -----                           | -----     | -----     |
|                                                                    | 1,370      | 2,412                           | 1,955     | 1,640     |
|                                                                    | -----      | -----                           | -----     | -----     |
| Participant Contributions                                          | 3,875      | 6,325                           | 5,091     | 5,365     |
|                                                                    | -----      | -----                           | -----     | -----     |
| Total additions                                                    | 5,245      | 8,737                           | 7,046     | 7,005     |
|                                                                    | -----      | -----                           | -----     | -----     |
| <b>DEDUCTIONS</b>                                                  |            |                                 |           |           |
| Benefits paid                                                      | (13)       | (12)                            | (365)     | (682)     |
| Other                                                              | (150)      | -                               | -         | -         |
|                                                                    | -----      | -----                           | -----     | -----     |
| Total deductions                                                   | (163)      | (12)                            | (365)     | (682)     |
|                                                                    | -----      | -----                           | -----     | -----     |
| Net increase (decrease)<br>prior to transfers                      | 5,082      | 8,725                           | 6,681     | 6,323     |
| <b>TRANSFERS</b>                                                   |            |                                 |           |           |
| Interfund transfers                                                | (97)       | -                               | -         | -         |
| Transfers-other plans                                              | 10,191     | 11,894                          | 11,129    | 14,007    |
|                                                                    | -----      | -----                           | -----     | -----     |
| Total transfers                                                    | 10,094     | 11,894                          | 11,129    | 14,007    |
|                                                                    | -----      | -----                           | -----     | -----     |
| Net increase                                                       | 15,176     | 20,619                          | 17,810    | 20,330    |
| <b>Net assets available for benefits:</b>                          |            |                                 |           |           |
| Beginning of period                                                | -          | -                               | -         | -         |
|                                                                    | -----      | -----                           | -----     | -----     |
| End of period                                                      | \$ 15,176  | \$ 20,619                       | \$ 17,810 | \$ 20,330 |
|                                                                    | =====      | =====                           | =====     | =====     |

(4) Fund Information (continued):

Period Ended December 31, 1996

|                                                                    | Other    | Total      |
|--------------------------------------------------------------------|----------|------------|
| ADDITIONS                                                          |          |            |
| Investment Income:                                                 |          |            |
| Net appreciation<br>(depreciation) in fair<br>value of investments | \$ -     | \$ 5,973   |
| Interest                                                           | -        | 565        |
| Dividends                                                          | 1,111    | 9,692      |
|                                                                    | -----    | -----      |
|                                                                    | 1,111    | 16,230     |
| Participant Contributions                                          | -        | 45,190     |
|                                                                    | -----    | -----      |
| Total additions                                                    | 1,111    | 61,420     |
|                                                                    | -----    | -----      |
| DEDUCTIONS                                                         |          |            |
| Benefits paid                                                      | -        | (2,697)    |
| Other                                                              | -        | (150)      |
|                                                                    | -----    | -----      |
| Total deductions                                                   | -        | (2,847)    |
|                                                                    | -----    | -----      |
| Net increase (decrease)<br>prior to transfers                      | 1,111    | 58,573     |
| TRANSFERS                                                          |          |            |
| Interfund Transfers                                                | -        | -          |
| Transfers-other plans                                              | -        | 107,987    |
|                                                                    | -----    | -----      |
| Total transfers                                                    | -        | 107,987    |
|                                                                    | -----    | -----      |
| Net increase                                                       | 1,111    | 166,560    |
| Net assets available for benefits:                                 |          |            |
| Beginning of period                                                | -        | -          |
|                                                                    | -----    | -----      |
| End of period                                                      | \$ 1,111 | \$ 166,560 |
|                                                                    | =====    | =====      |

## WESTAR SECURITY SERVICES, INC.

## 401(K) PROFIT SHARING PLAN

## LINE 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

DECEMBER 31, 1996

| Description                                        | Number<br>of Units | Cost      | Current<br>Value |
|----------------------------------------------------|--------------------|-----------|------------------|
| Vanguard/Windsor Fund                              | 2,364.4049         | \$ 37,045 | \$ 39,225        |
| Vanguard Money Market Reserves,<br>Prime Portfolio | 303.1100           | 303       | 303              |
| Vanguard/Wellington Fund                           | 580.3545           | 14,749    | 15,176           |
| Vanguard Index Trust 500 Portfolio                 | 298.1323           | 18,514    | 20,619           |
| Vanguard/PrimeCap Fund                             | 592.0839           | 16,366    | 17,810           |
| Fidelity Magellan Fund                             | 252.0706           | 21,102    | 20,330           |
| Vanguard Investment Contract Trust                 | 543.0000           | 543       | 543              |
| Participant Loan at 8.25% Interest Rate            |                    | 484       | 484              |
| *Western Resources, Inc. Common Stock              | 1,650.5087         | 50,296    | 50,959           |
|                                                    |                    | -----     | -----            |
| Total Investments                                  |                    | \$159,402 | \$165,449        |
|                                                    |                    | =====     | =====            |

\*Investment with party-in-interest to the Plan.

EIN: 48-1123483  
PN: 001

WESTAR SECURITY SERVICES, INC.

401(K) PROFIT SHARING PLAN

LINE 27d - SCHEDULE OF REPORTABLE TRANSACTIONS

FOR THE PERIOD ENDED DECEMBER 31, 1996

| Investment                                         | Type of Transaction | Number | Dollar Value<br>(1) | Net Gain<br>(Loss) |
|----------------------------------------------------|---------------------|--------|---------------------|--------------------|
| Magellan Fund                                      | Purchases           | 50     | \$ 21,746           | \$ -               |
|                                                    | Sales               | 3      | 624                 | (59)               |
| Vanguard/Wellington Fund                           | Purchases           | 41     | 14,103              | -                  |
|                                                    | Sales               | 3      | 298                 | 3                  |
| Vanguard/PrimeCap Fund                             | Purchases           | 49     | 16,600              | -                  |
|                                                    | Sales               | 3      | 242                 | 4                  |
| Vanguard/Windsor Fund                              | Purchases           | 46     | 37,057              | -                  |
|                                                    | Sale                | 1      | 12                  | -                  |
| Vanguard Investment Contract Trust                 | Purchases           | 43     | 547                 | -                  |
|                                                    | Sale                | 1      | 6                   | -                  |
| Vanguard Money Market Reserves,<br>Prime Portfolio | Purchases           | 75     | 47,459              | -                  |
|                                                    | Sales               | 25     | 47,164              | -                  |
| Vanguard Index Trust 500<br>Portfolio              | Purchases           | 42     | 18,219              | -                  |
|                                                    | Sale                | 1      | 13                  | 1                  |
| Western Resources, Inc.<br>Stock Fund              | Purchases           | 27     | 51,958              | -                  |
|                                                    | Sales               | 2      | 815                 | (139)              |

(1) Amount shown in this column is cost of purchases or proceeds from sales.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Investment and Benefits Committee for the Westar Security Services, Inc. 401(k) Profit Sharing Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

WESTAR SECURITY SERVICES, INC.  
401(K) PROFIT SHARING PLAN

By:

| Signature         | Title    | Date          |
|-------------------|----------|---------------|
| S. L. Kitchen     | Chairman | June 27, 1997 |
| Ira W. McKee, Jr. | Member   | June 27, 1997 |
| John K. Rosenberg | Member   | June 27, 1997 |
| Kenneth T. Wymore | Member   | June 27, 1997 |
| David E. Roth     | Member   | June 27, 1997 |

EXHIBIT INDEX

| Exhibit<br>Number | Description of Documents                                         | Page |
|-------------------|------------------------------------------------------------------|------|
| 23                | Consent of Independent Public Accountants (filed electronically) |      |





CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report included in the Form 11-K for the Westar Security Services, Inc. 401(k) Profit Sharing Plan, into the Western Resources, Inc. previously filed Registration Statements File Nos. 33-49467, 33-49553, 333-02023, 33-50069, 33-62375, and 333-26115 of Western Resources, Inc. on Form S-3; Nos. 333-18097 and 333-02711 of Western Resources, Inc. on Form S-4; Nos. 33-57435, 333-13229, 333-06887, 333-20393, and 333-20413 of Western Resources, Inc. on Form S-8.

Arthur Andersen LLP

Kansas City, Missouri,  
June 20, 1997