

WADMC
Financial Statements
May 31, 2012
(With Accountant's Compilation Report Thereon)

WILDES
& COMPANY PLLC
Certified Public Accountants

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
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As of May 31, 2012

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WILDES
& COMPANY PLLC
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Independent Accountant's Compilation Report

**To the Board of Directors
Williamsburg Area Destination Marketing Committee ("WADMC")
Williamsburg, VA**

We have compiled the accompanying statement of financial position of WADMC as of May 31, 2012 and the related statements of activities and functional expenses for the period then ended, and the accompanying supplementary information contained in Schedules I and II, which are presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about WADMC's financial position, results of activities, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

**Wildes & Company, PLLC
July 31, 2012**

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FINANCIAL POSITION
As of May 31, 2012

Assets

Current Assets

Unrestricted-Chesapeake Bank	\$ 420,181
Accounts Receivable	<u>337,960</u>
<i>Total Current Assets</i>	<u>758,141</u>

Total Assets \$ 758,141

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 262,913
<i>Total Liabilities</i>	<u>262,913</u>

Net Assets

Unrestricted net assets	<u>495,228</u>
<i>Total net assets</i>	<u>495,228</u>

Total Liabilities and Net Assets \$ 758,141

WILLIAMSBURG AREA DESTINATION MARKETING ASSOCIATION
STATEMENT OF ACTIVITIES
For the Five Months Ended May 31, 2012

<u>Unrestricted Revenue and Support</u>		
City of Williamsburg	\$	402,734
James City County		243,924
York County		370,673
Private Investors		666,313
ARES Commission		15,259
Interest income		1,609
<i>Total Revenue and Support</i>	\$	<u>1,700,512</u>
 <u>Expenses</u>		
Marketing	\$	2,855,819
General and Administrative		46,875
<i>Total Expenses</i>		<u>2,902,694</u>
 CHANGE IN NET ASSETS		 (1,202,182)
NET ASSETS, BEGINNING OF YEAR		<u>1,697,410</u>
NET ASSETS, END OF PERIOD	\$	<u><u>495,228</u></u>

See independent accountant's compilation report

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FUNCTIONAL EXPENSES
For the Five Months Ended May 31, 2012

Marketing		
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Momentum (includes pay-click)	\$ 22,250	
Momentum Agency Services	-	
Momentum Print Creative	-	
Momentum Online Creative	33,293	
Momentum TV Edit Production	10,083	
Momentum Research-Ad & Web	18,750	
Momentum TV Traffic	5,472	
Momentum Web Content/Revision	11,469	
Momentum Talent Fee	-	
Momentum Web Design/Hosting	2,540	
Ingenuity Media-Local TV	2,017,957	
Ingenuity General Media Fee	52,000	
Ingenuity Search Fee	18,750	
Ingenuity Search	325,166	
Ingenuity Misc	845	
Ingenuity Online Display	260,049	
Ingenuity Ad Serving Fee	2,474	
Ingenuity Print Magazine	-	
Public Relations (DCI)	54,721	
DCI Outreach	-	
Website Management	20,000	
Travel Writer Site Visit	-	
	<hr/>	
<i>Total Marketing</i>	\$ 2,855,819	
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General and Administrative		
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Destination Coordinator	\$ 23,905	
Accounting	4,750	
Postage	1,589	
Miscellaneous	16,631	
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<i>Total General and Administrative</i>	\$ 46,875	
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Total Expenses	\$ 2,902,694	
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See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE I - ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE
As of May 31, 2012

Accounts Receivable

York County	\$ 112,440
James City County	90,350
City of Williamsburg	129,678
Private Investors	5,492
Total Accounts Receivable	\$ 337,960

Accounts Payable

Ingenuity Misc	\$ 109
Ingenuity-Local TV	114,688
Ingenuity Online Display	71,388
Ingenuity Search	76,525
Momentum (Includes pay-click)	-
Momentum TV Edit Production	203
Momentum Print Creative	-
Momentum Web Design/Hosting	-
Miscellaneous	-
Total Accounts Payable	\$ 262,913

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE II - BUDGET COMPARISON TO ACTUAL REVENUE AND EXPENSE
As of May 31, 2012

	<u>Jan-May Budget</u>	<u>Jan-May Actual</u>	<u>Variance</u>	<u>May Budget</u>	<u>MayActual</u>	<u>Variance</u>
REVENUE						
WMBG - \$2 TAX	356,574	402,734	46,160	83,346	129,678	46,332
JCC - \$2 TAX	126,680	243,924	117,244	-	90,350	90,350
YORK - \$2 TAX	321,199	370,673	49,474	78,596	112,440	33,844
Interest	4,545	1,609	(2,936)	870	200	(670)
Private Investors - Total	170,000	666,313	496,313	50,000	-	(50,000)
ARES Commission	<u>14,511</u>	<u>15,259</u>	<u>748</u>	<u>3,686</u>	<u>5,492</u>	<u>1,806</u>
REVENUE TOTAL	<u><u>993,509</u></u>	<u><u>1,700,512</u></u>	<u><u>707,003</u></u>	<u><u>216,498</u></u>	<u><u>338,160</u></u>	<u><u>121,662</u></u>
EXPENSES						
MOMENTUM	-	\$ 22,250	22,250	-	-	-
Agency Services	11,000	-	(11,000)	-	-	-
TV Edit Production/Added Value	27,500	10,083	(17,417)	-	-	-
TV Traffic	4,000	5,472	1,472	1,000	-	(1,000)
Ad & Website Research	33,000	18,750	(14,250)	-	-	-
Web Hosting Fee	5,000	2,540	(2,460)	1,000	-	(1,000)
Web Content, Revisions	15,000	11,469	(3,531)	-	-	-
On Line Creative	25,000	33,293	8,293	-	-	-
Print Creative	-	-	-	-	-	-
INGENUITY (General Media Fee)	80,000	52,000	(28,000)	16,000	-	(16,000)
Local TV	1,983,231	2,017,957	34,726	564,082	114,688	(449,394)
Ingenuity Misc	1,250	845	(405)	250	108	(142)
Online Display	168,164	260,049	91,885	63,110	71,388	8,278
SearchFee	31,250	18,750	(12,500)	6,250	-	(6,250)
Ad Serving Fees	2,741	2,474	(267)	1,157	-	(1,157)
Ingenuity Search	267,259	325,166	57,907	74,982	76,525	1,543
Ingenuity Print Magazine	-	-	-	-	-	-
Ingenuity Print Newspaper	-	-	-	-	-	-
Destination Coordinator	23,905	23,905	-	4,781	4,781	-
Bartlett	-	-	-	-	-	-
Auditor	-	-	-	-	-	-
Accounting Management	4,750	4,750	-	950	950	-
Public Relations (DCI)	62,500	54,721	(7,779)	12,500	11,067	(1,433)
DCI Outreach Expense	-	-	-	-	-	-
Postage	2,500	1,589	(911)	500	-	(500)
WADMC Website	20,500	20,000	(500)	4,000	4,000	-
Miscellaneous	400	16,631	16,231	100	1,676	1,576
Travel Writer Site Visit	-	-	-	-	-	-
Collateral	<u>2,200</u>	<u>-</u>	<u>(2,200)</u>	<u>2,200</u>	<u>-</u>	<u>(2,200)</u>
EXPENSES TOTAL	<u><u>2,771,150</u></u>	<u><u>2,902,694</u></u>	<u><u>131,544</u></u>	<u><u>752,862</u></u>	<u><u>285,183</u></u>	<u><u>(467,679)</u></u>

City of Williamsburg

Month Collected	TOT Revenue			Locality Reported Room Nights		
	2010 \$2 Tax Rev.	2011 \$2 Tax Rev.	2012 \$2 Tax Rev.	2010 Demand	2011 Demand	2012 Demand
January	\$ 42,752	\$ 39,262	\$ 40,004	21,376	19,631	20,002
February	56,478	61,938	57,782	28,239	30,969	28,891
March	88,400	83,346	82,416	44,200	41,673	41,208
April	125,610	127,974	129,678	62,805	63,987	64,839
May	110,040	112,780	117,012	55,020	56,380	58,508
June	138,720	135,614		69,360	67,807	0
July	181,568	159,948		90,784	79,974	0
August	161,112	139,788		80,556	69,894	0
Sept.	97,052	105,886		48,526	52,948	0
October	126,590	110,748		63,295	55,374	0
November	84,258	88,820		42,129	44,410	0
December	87,770	92,854		43,885	46,427	0
YTD May	\$ 423,280	\$ 425,280	\$ 426,892	\$ 211,640	\$ 212,640	\$ 213,446
Year End	\$ 1,300,350	\$ 1,258,948	\$ 426,892	650,175	629,474	213,446

James City County

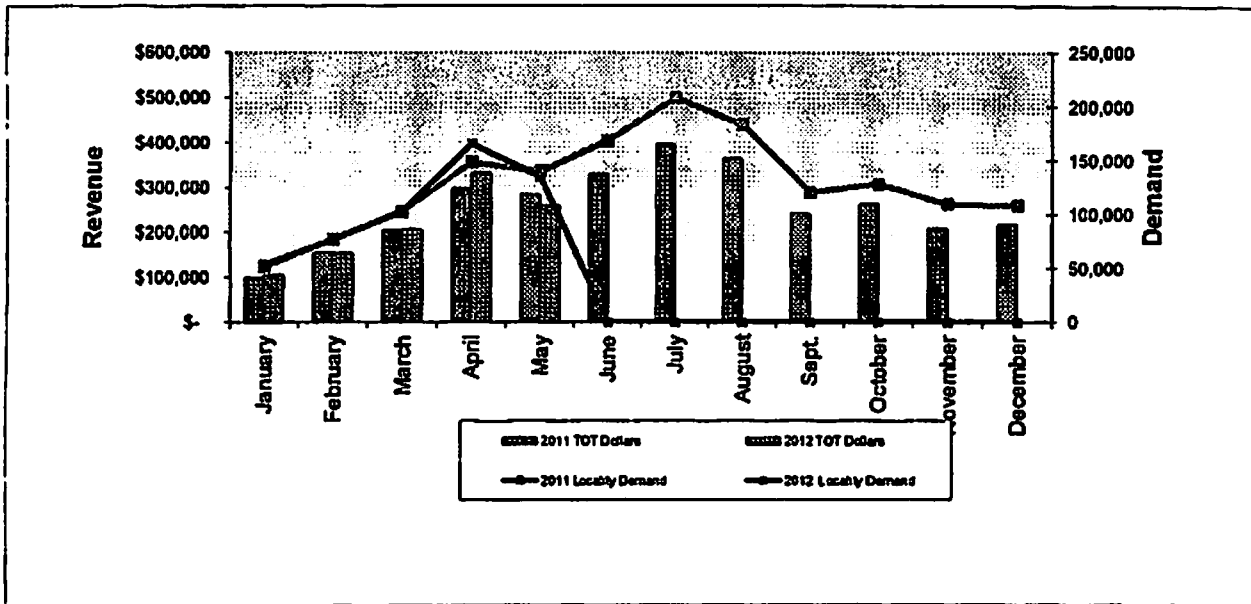
Month Collected	TOT Revenue			Locality Reported Room Nights		
	2010 \$2 Tax Rev.	2011 \$2 Tax Rev.	2012 \$2 Tax Rev.	2010 Demand	2011 Demand	2012 Demand
January	\$ 27,020	\$ 16,186	\$ 20,866	13,510	8,093	10,433
February	27,222	31,015	38,988	13,811	15,538	18,300
March	46,038	43,359	45,488	23,019	21,853	22,734
April	67,529	52,086	90,362	33,914	26,081	45,181
May	60,107	75,572	54,276	30,085	37,166	30,251
June	72,455	76,625		36,216	38,297	
July	90,910	93,697		45,455	55,237	
August	108,244	85,970		54,122	42,985	
Sept.	37,680	50,999		18,840	25,260	
October	47,148	61,302		23,883	30,651	
November	50,548	52,338		25,294	32,363	
December	38,641	50,714		19,423	25,357	
YTD May	\$ 227,916	\$ 218,218	\$ 247,980	\$ 114,119	\$ 108,729	\$ 126,899
Year End	\$ 673,542	\$ 689,863	\$ 247,980	337,352	358,879	126,899

York County

Month Collected	TOT Revenue			Locality Reported Room Nights		
	2010 \$2 Tax Rev.	2011 \$2 Tax Rev.	2012 \$2 Tax Rev.	2010 Demand	2011 Demand	2012 Demand
January	\$ 45,826	\$ 44,957	\$ 45,661	21,817	24,036	23,414
February	50,996	61,989	59,186	24,429	30,881	29,756
March	75,597	78,586	78,184	40,045	39,303	39,509
April	93,981	117,334	112,440	48,535	58,732	55,902
May	87,582	86,112	88,608	45,443	46,626	46,360
June	117,739	118,776		58,021	62,772	
July	154,230	142,627		79,499	73,256	
August	143,243	138,672		74,584	70,729	
Sept.	74,899	84,853		39,488	42,393	
October	84,232	91,225		44,876	42,393	
November	65,807	67,247		34,562	33,175	
December	69,849	74,188		32,812	37,125	
YTD May	\$ 353,762	\$ 398,988	\$ 384,079	\$ 180,269	\$ 199,678	\$ 194,941
Year End	\$ 1,063,561	\$ 1,116,576	\$ 384,079	544,111	561,421	194,941

See independent accountant's compilation report.

WADMC Key Data by Month 2011 Vs 2012



Month Collected	TOT Revenue				Locality Reported Room Nights			
	2011	2012	'11-'12		2011	2012	'11-'12	
	\$2 Tax Rev.	\$2 Tax Rev.	\$ Change	%	Demand	Demand	Change	%
January	\$ 100,405	\$ 106,531	\$ 6,126	6.1%	51,760	53,849	2,089	4.0%
February	154,942	153,956	(986)	-0.6%	77,388	76,947	(439)	-0.6%
March	205,301	206,068	767	0.4%	102,829	103,451	622	0.6%
April	297,394	332,480	35,086	11.8%	148,800	165,922	17,122	11.5%
May	284,444	259,898	(24,548)	-8.6%	140,172	135,117	(5,055)	-3.6%
June	331,015	-	-	-	168,878	-	-	-
July	396,272	-	-	-	208,467	-	-	-
August	364,430	-	-	-	183,608	-	-	-
Sept.	241,748	-	-	-	120,601	-	-	-
October	263,275	-	-	-	128,418	-	-	-
November	208,405	-	-	-	109,948	-	-	-
December	217,756	-	-	-	108,909	-	-	-
YTD May	\$ 1,042,486	\$ 1,058,931	16,445	1.6%	\$ 520,947	\$ 535,286	14,339	2.8%

*TOT dollars, and room nights as reported by localities

Market	Market Comparison					
	May			January-May		
	2012	2011	# Variance	2012	2011	# Variance
Williamsburg	43.7%	41.3%	0.02	34.8%	32.2%	0.03
VA Beach	65.6%	65.8%	0.00	52.7%	50.7%	0.02
Norfolk	63.6%	60.2%	0.03	56.1%	53.6%	0.03
Richmond	60.2%	55.1%	0.05	56.1%	53.4%	0.03
Wash., D.C.	77.5%	76.8%	0.01	66.3%	65.8%	0.01
Virginia	64.8%	62.6%	0.02	55.8%	54.3%	0.02
Asheville, NC	67.9%	65.8%	0.02	55.2%	52.4%	0.03
Branson	43.5%	36.2%	0.07	29.7%	27.0%	0.03
Charleston, SC	72.9%	75.9%	-0.03	68.4%	67.6%	0.01
Myrtle Beach, SC	52.2%	52.6%	0.00	45.5%	43.7%	0.02
Nashville, TN	70.3%	63.6%	0.07	64.8%	58.6%	0.06
Orlando, FL	65.3%	63.5%	0.02	72.8%	71.2%	0.02
USA	63.5%	61.3%	0.02	68.1%	57.3%	0.02

*Market Comparison data as reported by Smith Travel Research

See independent accountant's compilation report.