

WADMC

Financial Report
For the nine month period ended
September 30, 2014

RICK WILDES
& COMPANY PLLC
Certified Public Accountants

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
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As of September30, 2014

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RICK WILDES
& COMPANY PLLC
Certified Public Accountants

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 September 30, 2014 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 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.

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 without undertaking to obtain any assurance that there are no material modifications that should be made to the financial statements.

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.

Rick Wildes + Company, PLLC
Williamsburg, Virginia
October 28, 2014

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FINANCIAL POSITION
As of September 30, 2014

Assets

Current Assets

Unrestricted-Chesapeake Bank		\$ 647,156
Accounts Receivable		341,532
Total Current Assets		988,688

Total Assets		\$ 988,688
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Liabilities and Net Assets

Current Liabilities

Accounts Payable		\$ 136,845
Total Liabilities		136,845

Net Assets

Unrestricted net assets		851,843
Total Net assets		851,843

Total Liabilities and Net Assets		\$ 988,688
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NOTE: This report was compiled by converting cash basis data to accrual basis financial statements by applying the generally accepted accounting principle of revenue recognition, recognizing revenue in the period earned and expenses in the period incurred.

The accrual basis of accounting is a more comprehensive method of accounting because transactions are recorded as they occur in the ordinary course of business. The cash method recognizes income when it is received and expenses at the the time they are paid.

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING ASSOCIATION
STATEMENT OF ACTIVITIES
For the Nine Months Ended September 30, 2014

Unrestricted Revenue and Support

Private Investors	\$ 156,100
City of Williamsburg	815,854
York County	822,268
James City County	527,028
ARES Commission	39,253
Interest income	1,547
Total Revenue and Support	<u>\$ 2,362,050</u>

Expenses

Working	\$ 2,426,391
Support	648,970
General and Administrative	133,579
Total Expenses	<u>\$ 3,208,941</u>

Change in Net Assets	(846,891)
Net Assets, Beginning of Period	<u>1,698,734</u>
Net Assets, End of Period	<u><u>\$ 851,843</u></u>

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FUNCTIONAL EXPENSES
For the Nine Months Ended September 30, 2014

Working Expenses

Television Media	\$ 1,312,294
Digital-Display	454,801
Digital-Paid Search	488,444
Digital-Social	730
Digital - Video	28,000
Public Relations	101,225
Public Relations-DCI Outreach/Support	3,570
Public Relations-Media Visits	3,814
Fulfillment	17,548
Postage	15,965
Total Working Expenses	<u>\$ 2,426,391</u>

Support Expenses

Television	\$ 40,374
Agency Services	266,250
Media Planning	96,000
Digital-Display Advertising	10,969
Digital-Paid Search	37,500
Website Management	24,691
Web Hosting	1,353
Ad Serving/Brand Study	13,905
Ad Serving-Print	3,713
Ad Serving-2015 Creative/Production	152,648
Martin/Luckie Misc	1,568
Total Support Expenses	<u>\$ 648,970</u>

General and Administrative

WADMC DOM	\$ 71,161
Coordinator	43,029
Auditor	6,800
Accounting	9,500
WADMC Website	445
Misc	2,645
Total General and Administrative	<u>\$ 133,579</u>

Total Expenses	<u><u>\$ 3,208,941</u></u>
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See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE I - ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE
As of September 30, 2014

Accounts Receivable

City of Williamsburg	\$ 115,348
York County	128,456
James City County	97,728
Total Accounts Receivable	\$ 341,532

Accounts Payable

Digital-Paid Search	\$ 20,000
Digital-Social	7
Public Relations	11,225
Public Relations-DCI Outreach/Support	500
Public Relations-Media Visits	2,000
Postage	1,500
Agency Services	44,375
Display-Display Adv	400
Digital-Website Management	12,658
Digital-Web Hosting	45
Ad Serving-2015 Creative/Production	30,000
WADMC DOM	8,334
Coordinator	4,781
Accounting	950
Misc	70
Total Accounts Payable	\$ 136,845

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE II - BUDGET COMPARISON TO ACTUAL REVENUE AND EXPENSE
As of September 30, 2014

	<u>Jan-Sept Budget</u>	<u>Jan-Sept Actual</u>	<u>Variance</u>
<u>REVENUE</u>			
WMBG - \$2 TAX	\$ 877,222	\$ 815,854	\$ (61,368)
JCC - \$2 TAX	616,045	527,028	(89,017)
YORK - \$2 TAX	750,186	822,268	72,082
Private Investors	206,100	156,100	(50,000)
One Time Transition	-	-	-
ARES Commission	54,265	39,253	(15,012)
Interest	1,613	1,547	(66)
REVENUE TOTAL	<u>\$ 2,505,431</u>	<u>\$ 2,362,050</u>	<u>\$ (143,381)</u>
<u>EXPENSES</u>			
Television Media	\$ 1,380,000	\$ 1,312,294	\$ (67,706)
Digital-Display	180,000	454,801	274,801
Digital-Paid Search-working	415,000	488,444	73,444
Digital-Social	150,000	730	(149,270)
Digital-Video	190,000	28,000	(162,000)
Print	-	-	-
Public Relations	101,325	101,225	(100)
Public Relations-DCI Outreach	4,250	3,570	(680)
Public Relations-Media Visits	12,000	3,814	(8,187)
Fulfillment	25,000	17,548	(7,452)
Postage	13,500	15,965	2,465
Television-support	35,000	40,374	5,374
Agency Services	-	266,250	266,250
Media Planning	144,000	96,000	(48,000)
TV Traffic	12,374	-	(12,374)
Digital-Display Advertising	10,000	10,969	969
Digital-Paid Search-support	56,250	37,500	(18,750)
Digital-Social Strategy	22,500	-	(22,500)
Website Management	47,678	24,691	(22,988)
Web Hosting	9,421	1,353	(8,069)
Digital Asset Management	19,000	-	(19,000)
Ad Serving/Brand Study	13,158	13,905	747
Ad Serving-Print	-	3,713	3,713
Ad Serving-2015 Creative/Production	100,000	152,648	52,648
Ad Serving Research	-	-	-
Martin/Luckie Miscellaneous	2,250	1,568	(682)
WADMC DOM	74,999	71,161	(3,839)
Coordinator	43,029	43,029	-
Auditor	6,750	6,800	50
Accounting	8,550	9,500	950
Legal	4,500	-	(4,500)
WADMC Website	445	445	-
Miscellaneous	4,705	2,645	(2,060)
Visitor Research	-	-	-
Website Improvements	-	-	-
	<u>\$ 3,085,685</u>	<u>\$ 3,208,941</u>	<u>\$ 123,256</u>

See independent accountant's compilation report.