

WADMC

Financial Report
June 30, 2012

WILDES
& COMPANY PLLC
Certified Public Accountants

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
TABLE OF CONTENTS
As of June 30, 2012

	PAGE
Independent Accountant's Compilation Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Supplemental Information:	
Schedule I - Accounts Payable and Accounts Receivable	5
Schedule II - Budget Comparison to Actual Revenue and Expense	6
Schedule III - WADMC Key Data By Month	7
Schedule IV - Activity by Locality	8

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 June 30, 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

Wildes & Company, PLLC
September 7, 2012

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FINANCIAL POSITION
As of June 30, 2012

Assets

Current Assets

Unrestricted-Chesapeake Bank	\$ 471,716
Accounts Receivable	<u>157,691</u>
<i>Total Current Assets</i>	<u>629,407</u>

Total Assets \$ 629,407

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 245,215
<i>Total Liabilities</i>	<u>245,215</u>

Net Assets

Unrestricted net assets	<u>384,192</u>
<i>Total net assets</i>	<u>384,192</u>

Total Liabilities and Net Assets \$ 629,407

WILLIAMSBURG AREA DESTINATION MARKETING ASSOCIATION
STATEMENT OF ACTIVITIES
For the Six Months Ended June 30, 2012

<u>Unrestricted Revenue and Support</u>		
City of Williamsburg		\$ 519,746
James City County		275,402
York County		370,673
Private Investors		666,313
ARES Commission		24,461
Interest income		1,713
	<i>Total Revenue and Support</i>	<u>\$ 1,858,308</u>
<u>Expenses</u>		
Marketing		\$ 3,116,573
General and Administrative		54,953
	<i>Total Expenses</i>	<u>3,171,526</u>
CHANGE IN NET ASSETS		(1,313,218)
NET ASSETS, BEGINNING OF YEAR		<u>1,697,410</u>
NET ASSETS, END OF PERIOD		<u><u>\$ 384,192</u></u>

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
STATEMENT OF FUNCTIONAL EXPENSES
For the Six Months Ended June 30, 2012

Marketing

Momentum (includes pay-click)	\$ 66,750
Momentum Agency Services	-
Momentum Print Creative	-
Momentum Online Creative	46,987
Momentum TV Edit Production	18,189
Momentum Research-Ad & Web	49,840
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	401,907
Ingenuity Misc	845
Ingenuity Online Display	328,321
Ingenuity Ad Serving Fee	5,083
Ingenuity Print Magazine	-
Public Relations (DCI)	66,463
DCI Outreach	-
Website Management	24,000
Travel Writer Site Visit	-
<i>Total Marketing</i>	<u>\$ 3,116,573</u>

General and Administrative

Destination Coordinator	\$ 28,686
Accounting	5,700
Postage	3,754
Miscellaneous	16,813
<i>Total General and Administrative</i>	<u>\$ 54,953</u>

Total Expenses \$ 3,171,526

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE

SCHEDULE I - ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE

As of June 30, 2012

Accounts Receivable

York County	\$ -
James City County	31,478
City of Williamsburg	117,012
Private Investors	9,201
Total Accounts Receivable	\$ 157,691

Accounts Payable

Ingenuity Misc	\$ -
Ingenuity-Local TV	-
Ingenuity Online Display	68,272
Ingenuity Search	76,741
Ingenuity Print Magazine	-
Ingenuity Ad Serving Fee	2,609
Ingenuity General Media Fee	-
Momentum (includes pay-click)	44,500
Momentum TV Edit Production	8,309
Momentum Research-Ad & Web	31,090
Momentum Web Content/Revision	-
Momentum Online Creative	13,694
Miscellaneous	-
Total Accounts Payable	\$ 245,215

See independent accountant's compilation report.

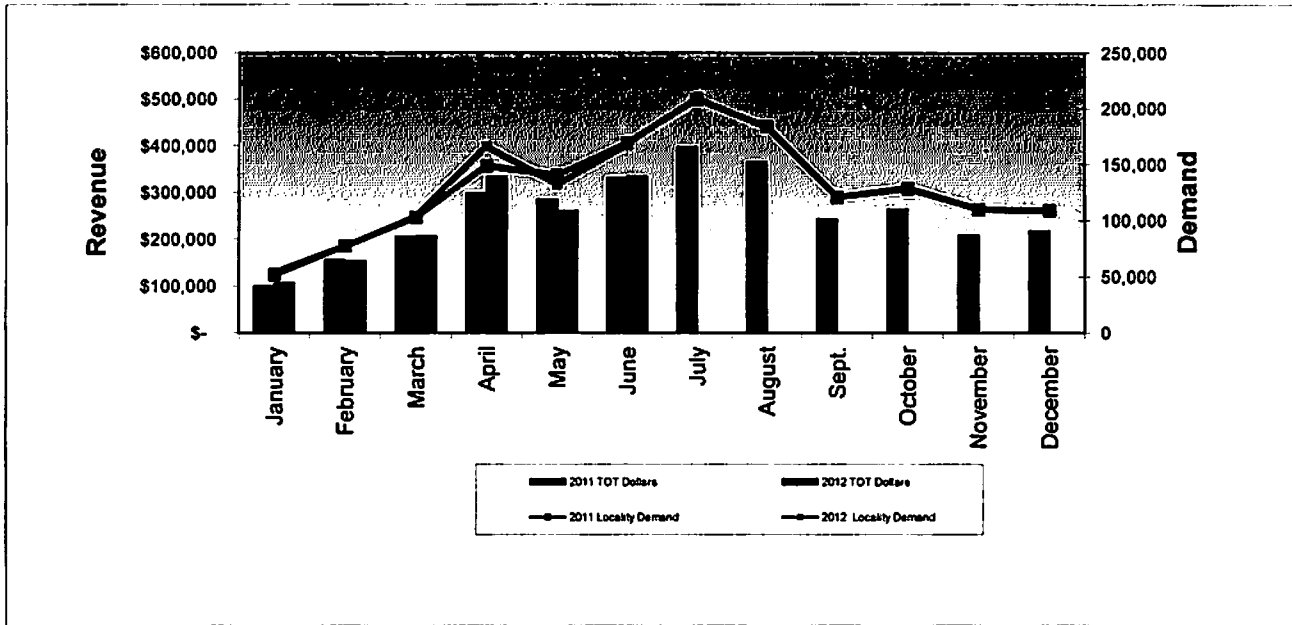
WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE II - BUDGET COMPARISON TO ACTUAL REVENUE AND EXPENSE
As of June 30, 2012

	<u>Jan-June Budget</u>	<u>Jan-June Actual</u>	<u>Variance</u>	<u>JuneBudget</u>	<u>June Actual</u>	<u>Variance</u>
REVENUE						
WMBG - \$2 TAX	\$ 484,548	\$ 519,746	\$ 35,198	\$ 127,974	\$ 117,012	\$ (10,962)
JCC - \$2 TAX	253,139	275,402	22,263	126,459	31,478	(94,981)
YORK - \$2 TAX	441,716	370,673	(71,043)	120,517	-	(120,517)
Interest	5,133	1,713	(3,420)	588	104	(484)
Private Investors - Total	170,000	666,313	496,313	-	-	-
ARES Commission	14,511	24,461	9,950	-	9,202	9,202
REVENUE TOTAL	<u>\$1,369,047</u>	<u>\$1,858,308</u>	<u>\$ 489,261</u>	<u>\$ 375,538</u>	<u>\$ 157,796</u>	<u>\$ (217,742)</u>
EXPENSES						
MOMENTUM						
Agency Services	\$ 11,000	\$ 12,000	\$ 1,000	\$ -	\$ 8,000	\$ 8,000
TV Edit Production/Added Value	27,500	18,189	(9,311)	-	8,106	8,106
TV Traffic	5,000	5,472	472	1,000	-	(1,000)
Ad & Website Research	33,000	49,840	16,840	-	31,090	31,090
Web Hosting Fee	6,000	2,540	(3,460)	1,000	-	(1,000)
Web Content, Revisions	15,000	11,469	(3,531)	-	-	-
On Line Creative	35,000	46,987	11,987	10,000	13,694	3,694
Print Creative	-	-	-	-	-	-
INGENUITY						
General Media Fee	96,000	88,000	(8,000)	16,000	24,000	8,000
Local TV	2,120,726	2,017,957	(102,769)	137,495	-	(137,495)
Ingenuity Misc	1,500	845	(655)	250	-	(250)
Online Display	239,552	328,321	88,769	71,388	68,272	(3,116)
Search Fee	37,500	37,500	-	6,250	12,500	6,250
Ad Serving Fees	3,970	5,083	1,113	1,229	2,609	1,380
Ingenuity Search	344,167	401,907	57,740	76,908	76,741	(167)
Ingenuity Print Magazine	-	-	-	-	-	-
Ingenuity Print Newspaper	-	-	-	-	-	-
Destination Coordinator	28,686	28,686	-	4,781	4,781	-
Bartlett	-	-	-	-	-	-
Auditor	6,500	-	(6,500)	6,500	-	(6,500)
Accounting Management	5,700	5,700	-	950	950	-
Public Relations (DCI)	75,000	66,463	(8,537)	12,500	11,742	(758)
DCI Outreach Expense	-	-	-	-	-	-
Postage	3,000	3,754	754	500	2,165	1,665
WADMC Website	24,500	24,000	(500)	4,000	4,000	-
Miscellaneous	500	16,813	16,313	100	182	82
Travel Writer Site Visit	-	-	-	-	-	-
Destination Research	25,000	-	-	25,000	-	-
Collateral	2,200	-	(2,200)	-	-	-
EXPENSES TOTAL	<u>\$3,147,001</u>	<u>\$3,171,526</u>	<u>\$ 24,525</u>	<u>\$ 375,851</u>	<u>\$ 268,832</u>	<u>\$ (107,019)</u>

See independent accountant's compilation report.

**WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE III - EXECUTIVE SUMMARY
As of June 30, 2012**

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%	77,386	77,141	(245)	-0.3%
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	259,896	(24,548)	-8.6%	140,172	132,004	(8,168)	-5.8%
June	331,015	333,264	2,249	0.7%	168,876	167,294	(1,583)	-0.9%
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 June	\$ 1,373,501	\$ 1,392,195	18,694	1.4%	\$ 689,823	\$ 699,661	9,838	1.4%

*TOT dollars, and room nights as reported by localities

Market Comparison						
Market	June			January-June		
	2012	2011	# Variance	2012	2011	# Variance
Williamsburg	57.8%	52.2%	0.06	38.6%	35.5%	0.03
VA Beach	75.5%	74.6%	0.01	56.6%	54.8%	0.02
Norfolk	74.7%	68.0%	0.07	59.2%	56.0%	0.03
Richmond	66.9%	57.6%	0.09	57.9%	54.1%	0.04
Wash., D.C.	81.0%	79.0%	0.02	68.7%	68.0%	0.01
Virginia	71.0%	67.1%	0.04	58.4%	56.4%	0.02
Asheville, NC	78.1%	77.3%	-0.01	58.6%	56.6%	0.02
Branson	59.4%	48.0%	0.11	35.0%	30.8%	0.04
Charleston, SC	73.7%	74.8%	-0.01	69.2%	68.8%	0.00
Myrtle Beach, SC	74.8%	70.5%	0.04	50.2%	48.0%	0.02
Nashville, TN	78.3%	73.4%	0.05	67.0%	61.1%	0.06
Orlando, FL	72.6%	69.0%	0.04	72.8%	70.8%	0.02
USA	70.3%	67.4%	0.03	61.0%	59.0%	0.02

*Market Comparison data as reported by Smith Travel Research

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE IV - ACTIVITY BY LOCALITY
As of June 30, 2012

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	112,760	117,012	55,020	56,380	58,506
June	138,720	135,614	139,100	69,360	67,807	69,550
July	181,568	159,948		90,784	79,974	0
August	161,112	139,788		80,556	69,894	0
Sept.	97,052	105,896		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 June	\$ 562,000	\$ 560,894	\$ 565,992	281,000	280,447	282,996
Year End	\$ 1,300,350	\$ 1,258,948	\$ 565,992	650,175	629,474	282,996

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	36,988	13,611	15,536	18,494
March	46,038	43,359	45,468	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	30,065	37,166	27,138
June	72,455	76,625	78,819	36,216	38,297	39,410
July	90,910	93,697		45,455	55,237	0
August	108,244	85,970		54,122	42,985	0
Sept.	37,680	50,999		18,840	25,260	0
October	47,148	61,302		23,883	30,651	0
November	50,548	52,338		25,294	32,363	0
December	38,641	50,714		19,423	25,357	0
YTD June	\$ 300,371	\$ 294,843	\$ 326,779	150,335	147,026	163,390
Year End	\$ 673,542	\$ 689,863	\$ 326,779	337,352	358,879	163,390

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	\$ 45,626	\$ 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	78,596	78,184	40,045	39,303	39,509
April	93,961	117,334	112,440	48,535	58,732	55,902
May	87,582	96,112	88,608	45,443	46,626	46,360
June	117,739	118,776	115,345	58,021	62,772	58,334
July	154,230	142,627		79,499	73,256	
August	143,243	138,672		74,584	70,729	
Sept.	74,699	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 June	\$ 471,501	\$ 517,764	\$ 499,424	238,290	262,350	253,275
Year End	\$ 1,063,561	\$ 1,116,576	\$ 499,424	544,111	561,421	253,275

See independent accountant's compilation report.