

WADMC

Financial Report
August 31, 2012

WILDES
& COMPANY PLLC
Certified Public Accountants

WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE

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As of August 31, 2012

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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 August 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, II, III and IV, 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.



Wildes & Company, PLLC
December 7, 2012

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

Assets

Current Assets

Unrestricted-Chesapeake Bank	\$ 471,048
Accounts Receivable	<u>501,573</u>
<i>Total Current Assets</i>	<u>972,621</u>

Total Assets \$ 972,621

Liabilities and Net Assets

Current Liabilities

Accounts Payable	<u>\$ 71,633</u>
<i>Total Liabilities</i>	<u>71,633</u>

Net Assets

Unrestricted net assets	<u>900,988</u>
<i>Total net assets</i>	<u>900,988</u>

Total Liabilities and Net Assets \$ 972,621

See independent accountant's compilation report.

WILLIAMSBURG AREA DESTINATION MARKETING ASSOCIATION
STATEMENT OF ACTIVITIES
For the Eight Months Ended August 31, 2012

<u>Unrestricted Revenue and Support</u>		
City of Williamsburg		\$ 805,904
James City County		383,167
York County		715,542
Private Investors		666,313
ARES Commission		44,008
Interest income		1,930
	<i>Total Revenue and Support</i>	<u>\$ 2,616,864</u>
<u>Expenses</u>		
Marketing		\$ 3,345,976
General and Administrative		67,310
	<i>Total Expenses</i>	<u>3,413,286</u>
CHANGE IN NET ASSETS		(796,422)
NET ASSETS, BEGINNING OF YEAR		<u>1,697,410</u>
NET ASSETS, END OF PERIOD		<u><u>\$ 900,988</u></u>

See independent accountant's compilation report.

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

Marketing		
Momentum (includes pay-click)		\$ 111,250
Momentum Agency Services		-
Momentum Print Creative		-
Momentum Online Creative		51,172
Momentum TV Edit Production		18,189
Momentum Research-Ad & Web		49,978
Momentum TV Traffic		5,472
Momentum Web Content/Revision		11,469
Momentum Talent Fee		-
Momentum Web Design/Hosting		4,040
Ingenuity Media-Local TV		1,994,275
Ingenuity General Media Fee		52,000
Ingenuity Search Fee		18,750
Ingenuity Search		513,866
Ingenuity Misc		988
Ingenuity Online Display		387,357
Ingenuity Ad Serving Fee		6,029
Ingenuity Print Magazine		-
Public Relations (DCI)		88,129
DCI Outreach		-
Website Management		33,012
Travel Writer Site Visit		-
	<i>Total Marketing</i>	<u>\$ 3,345,976</u>
General and Administrative		
Destination Coordinator		\$ 38,248
Accounting		7,600
Postage		4,418
Miscellaneous		17,044
	<i>Total General and Administrative</i>	<u>\$ 67,310</u>
	Total Expenses	<u><u>\$ 3,413,286</u></u>

See independent accountant's compilation report.

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

Accounts Receivable

York County	\$ 344,869
James City County	-
City of Williamsburg	147,058
Private Investors	9,646
Total Accounts Receivable	\$ 501,573

Accounts Payable

Ingenuity Misc	\$ 143
Ingenuity-Local TV	(2,023)
Ingenuity Online Display	-
Ingenuity Search	51,060
Ingenuity Print Magazine	-
Ingenuity Ad Serving Fee	-
Ingenuity General Media Fee	-
Momentum (includes pay-click)	22,250
Momentum TV Edit Production	203
Postage	-
Miscellaneous	-
Total Accounts Payable	\$ 71,633

See independent accountant's compilation report.

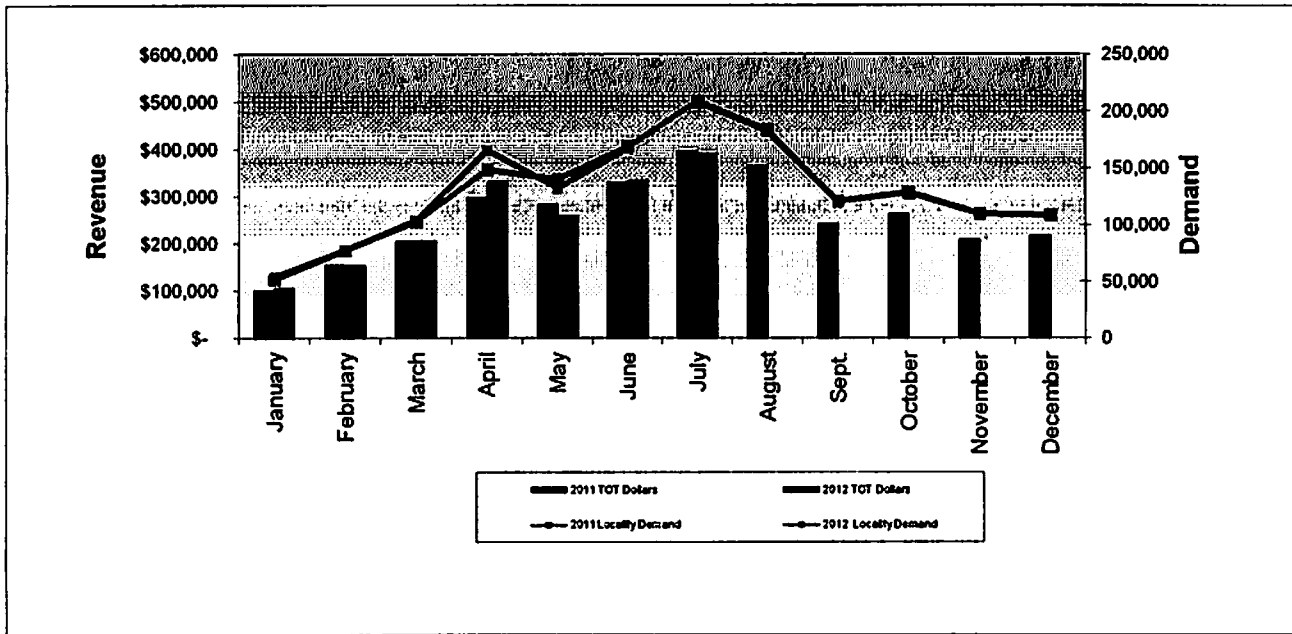
WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE II - BUDGET COMPARISON TO ACTUAL REVENUE AND EXPENSE
As of August 31, 2012

	<u>Jan-Aug Budget</u>	<u>Jan-Aug Actual</u>	<u>Variance</u>	<u>AugBudget</u>	<u>Aug Actual</u>	<u>Variance</u>
REVENUE						
WMBG - \$2 TAX	\$ 732,923	\$ 805,904	\$ 72,981	\$ 135,615	\$ 147,058	\$ 11,443
JCC - \$2 TAX	430,934	383,167	(47,767)	76,381	-	(76,381)
YORK - \$2 TAX	656,604	715,542	58,938	118,776	344,869	226,093
Interest	5,877	1,930	(3,947)	243	95	(148)
Private Investors - Total	170,000	666,313	496,313	-	-	-
ARES Commission	32,200	44,008	11,808	10,863	9,646	(1,217)
REVENUE TOTAL	<u>\$2,028,538</u>	<u>\$2,616,864</u>	<u>\$ 588,326</u>	<u>\$ 341,878</u>	<u>\$ 501,668</u>	<u>\$ 159,790</u>
EXPENSES						
MOMENTUM						
Agency Services	\$ 11,000	\$ 14,000	\$ 3,000	\$ -	\$ 1,000	\$ 1,000
TV Edit Production/Added Value	27,500	18,189	(9,311)	-	-	-
TV Traffic	5,000	5,472	472	-	-	-
Ad & Website Research	33,000	49,978	16,978	-	-	-
Web Hosting Fee	8,000	4,040	(3,960)	1,000	-	(1,000)
Web Content, Revisions	25,000	11,469	(13,531)	10,000	-	(10,000)
On Line Creative	45,000	51,172	6,172	-	-	-
Print Creative	-	-	-	-	-	-
INGENUITY						
General Media Fee	128,000	93,000	(35,000)	16,000	2,500	(13,500)
Local TV	2,120,726	1,994,275	(126,451)	-	(2,023)	(2,023)
Ingenuity Misc	2,000	988	(1,012)	250	143	(107)
Online Display	366,860	387,357	20,497	59,036	-	(59,036)
Search Fee	50,000	75,000	25,000	6,250	18,750	12,500
Ad Serving Fees	6,297	6,029	(268)	947	-	(947)
Ingenuity Search	482,836	513,866	31,030	60,699	51,060	(9,639)
Ingenuity Print Magazine	-	-	-	-	-	-
Ingenuity Print Newspaper	-	-	-	-	-	-
Destination Coordinator	38,248	38,248	-	4,781	4,781	-
Bartlett	-	-	-	-	-	-
Auditor	6,500	-	(6,500)	-	-	-
Accounting Management	7,600	7,600	-	950	950	-
Public Relations (DCI)	100,000	88,129	(11,871)	12,500	10,833	(1,667)
DCI Outreach Expense	-	-	-	-	-	-
Postage	4,000	4,418	418	500	111	(389)
WADMC Website	32,500	33,012	512	4,000	4,000	-
Miscellaneous	700	17,044	16,344	100	164	64
Travel Writer Site Visit	-	-	-	-	-	-
Destination Research	25,000	-	(25,000)	-	-	-
Collateral	2,200	-	(2,200)	-	-	-
EXPENSES TOTAL	<u>\$3,527,967</u>	<u>\$3,413,286</u>	<u>\$ (114,681)</u>	<u>\$ 177,013</u>	<u>\$ 92,269</u>	<u>\$ (84,744)</u>

See independent accountant's compilation report.

**WILLIAMSBURG AREA DESTINATION MARKETING COMMITTEE
SCHEDULE III - EXECUTIVE SUMMARY
As of August 31, 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	391,380	(4,892)	-1.2%	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 July	\$ 1,769,773	\$ 1,783,575	13,802	0.8%	\$ 898,290	\$ 699,661	9,838	1.1%

*TOT dollars, and room nights as reported by localities

Market Comparison						
Market	July			January-July		
	2012	2011	# Variance	2012	2011	# Variance
Williamsburg	63.0%	63.3%	0.00	42.6%	40.3%	0.02
VA Beach	81.6%	83.3%	-0.02	60.3%	59.0%	0.01
Norfolk	75.2%	74.4%	0.01	61.7%	58.7%	0.03
Richmond	64.6%	61.0%	0.04	58.9%	55.1%	0.04
Wash., D.C.	78.4%	76.1%	0.02	70.2%	69.1%	0.01
Virginia	71.3%	68.6%	0.03	60.3%	58.2%	0.02
Asheville, NC	77.0%	78.5%	-0.02	61.3%	59.8%	0.02
Branson	60.8%	60.5%	0.00	38.8%	35.5%	0.03
Charleston, SC	73.6%	77.7%	-0.04	69.9%	70.1%	0.00
Myrtle Beach, SC	81.1%	83.5%	-0.02	54.8%	53.3%	0.02
Nashville, TN	69.9%	70.7%	-0.01	67.4%	62.4%	0.05
Orlando, FL	76.4%	77.5%	-0.01	73.3%	71.8%	0.02
USA	70.0%	69.7%	0.00	62.3%	60.6%	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 August 31, 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	147,058	90,784	79,974	73,529
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 July	\$ 743,568	\$ 720,842	\$ 713,050	371,784	360,421	356,525
Year End	\$ 1,300,350	\$ 1,258,948	\$ 713,050	650,175	629,474	356,525

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	103,406	45,455	55,237	51,703
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 July	\$ 391,281	\$ 388,540	\$ 430,185	195,790	202,263	215,093
Year End	\$ 673,542	\$ 689,863	\$ 430,185	337,352	358,879	215,093

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	140,916	79,499	73,256	70,601
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 July	\$ 625,731	\$ 660,391	\$ 640,340	317,789	335,606	323,876
Year End	\$ 1,063,561	\$ 1,116,576	\$ 640,340	544,111	561,421	323,876

See independent accountant's compilation report.