

**TYPE MEDIA CENTER, INC.**

**Financial Statements  
for year ended  
December 31, 2021  
(With summarized comparative  
information for 2020)**

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**CONDON  
O'MEARA  
MCGINTY &  
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**Independent Auditor's Report**

To the Board of Directors of  
Type Media Center, Inc.

***Opinion***

We have audited the accompanying financial statements of Type Media Center, Inc. (the "Center") which comprise the statement of financial position as of December 31, 2021 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of December 31, 2021 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

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 the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

### ***Report on Summarized Comparative Information***

We have previously audited the Center's 2020 financial statements, and our report dated November 1, 2021, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Condon O'Meara McCinty & Donnelly LLP*

August 30, 2022

**TYPE MEDIA CENTER, INC.**

**Statement of Financial Position**

**Assets**

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash and cash equivalents	\$1,132,234	\$1,307,498
Investments, at fair value	5,524,422	3,978,672
Contributions and other receivables	802,469	1,303,357
Prepaid expenses	64,903	62,012
Security deposit	7,000	33,750
Total current assets	7,531,028	\$6,685,289
Property and equipment, at cost	110,481	196,270
Accumulated depreciation	85,618	196,270
Total property and equipment	24,863	-
<b>Total assets</b>	<b>\$7,555,891</b>	<b>\$6,685,289</b>

**Liabilities and Net Assets**

<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 146,587	\$ 98,371
<b>Net assets</b>		
Without donor restrictions	2,312,811	2,256,398
With donor restrictions	5,096,493	4,330,520
Total net assets	7,409,304	6,586,918
<b>Total liabilities and net assets</b>	<b>\$7,555,891</b>	<b>\$6,685,289</b>

See notes to financial statements.

**TYPE MEDIA CENTER, INC.**

**Statement of Activities**  
**For Year Ended December 31, 2021**  
**(with summarized comparative information for year ended December 31, 2020)**

	<u>2021</u>		<u>2020</u>	
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
<b>Revenue, gains and other support</b>				
Contributions – Individuals and bequests	\$ 166,306	\$ 943,825	\$ 1,110,131	\$ 105,160
Contributions – Foundations, public charities, trusts, and corporations	347,416	2,060,637	2,408,053	2,392,514
In-kind contributions	106,052	-	106,052	-
Program service fees	78,001	-	78,001	72,000
Special events revenues, net of related expenses of \$29,806 in 2020	-	-	-	41,040
Rental	180,970	-	180,970	130,857
Royalties and book sales	115,315	-	115,315	748,494
Net investment return	211,381	359,380	570,761	490,141
Government grant – paycheck protection program	278,500	-	278,500	264,200
Other	37,337	-	37,337	1,865
Net assets released from restrictions	<u>2,597,869</u>	<u>(2,597,869)</u>	<u>-</u>	<u>-</u>
Total revenue, gains and other support	<u>4,119,147</u>	<u>765,973</u>	<u>4,885,120</u>	<u>4,246,271</u>
<b>Expenses</b>				
<b>Program services</b>				
Internships	5,862	-	5,862	35,115
Type investigations	1,354,221	-	1,354,221	2,062,900
Fellowships	778,283	-	778,283	965,862
Other programs	1,048,296	-	1,048,296	601,479
Total program services	<u>3,186,662</u>	<u>-</u>	<u>3,186,662</u>	<u>3,665,356</u>
<b>Supporting activities</b>				
Management and general	547,378	-	547,378	488,088
Fundraising	328,694	-	328,694	317,023
Total supporting activities	<u>876,072</u>	<u>-</u>	<u>876,072</u>	<u>805,111</u>
Total expenses	<u>4,062,734</u>	<u>-</u>	<u>4,062,734</u>	<u>4,470,467</u>
<b>Change in net assets</b>	<b>56,413</b>	<b>765,973</b>	<b>822,386</b>	<b>(224,196)</b>
<b>Net assets, beginning of year</b>	<b><u>2,256,398</u></b>	<b><u>4,330,520</u></b>	<b><u>6,586,918</u></b>	<b><u>6,811,114</u></b>
<b>Net assets, end of year</b>	<b><u>\$ 2,312,811</u></b>	<b><u>\$ 5,096,493</u></b>	<b><u>\$ 7,409,304</u></b>	<b><u>\$ 6,586,918</u></b>

See notes to financial statements.

## TYPE MEDIA CENTER, INC.

**Statement of Functional Expenses**  
**For the Year Ended December 31, 2021**  
(with summarized comparative information for year ended December 31, 2020)

	2021								2020	
	Program Services				Total Program Services	Supporting Activities		Direct Cost of Special Event	Total	Total
	Internships	Type Investigations	Fellowships	Other Programs		Management and General	Fundraising			
Salaries	\$ 5,475	\$ 572,050	\$ 35,695	\$ 345,488	\$ 958,708	\$ 180,818	\$ 156,216	\$ -	\$1,295,742	\$1,395,763
Payroll taxes and benefits	387	200,049	12,847	124,670	337,953	47,383	56,122	-	441,458	484,360
Sub-total	5,862	772,099	48,542	470,158	1,296,661	228,201	212,338	-	1,737,200	1,880,123
Professional fees	-	98,144	467	108,974	207,585	205,658	31,370	-	444,613	75,750
Consulting	-	-	25,200	-	25,200	-	25,000	-	50,200	299,909
Telephone and internet charges	-	9,969	599	5,860	16,428	5,640	2,628	-	24,696	16,227
Equipment rental	-	-	-	-	-	-	-	-	-	4,769
Occupancy	-	149,063	9,643	94,722	253,428	40,375	41,977	-	335,780	302,967
Insurance	-	28,903	1,722	17,041	47,666	8,752	7,589	-	64,007	68,737
Travel and entertainment	-	1,407	-	770	2,177	5,680	100	-	7,957	24,179
Postage, printing and production	-	163	5	1,745	1,913	1,519	34	-	3,466	6,019
Advertising and publicity	-	3,825	1,150	-	4,975	6,075	2,500	-	13,550	28,224
Bank charges and other fees	-	100	-	4,139	4,239	11,897	-	-	16,136	4,576
Fellowships and grants	-	132,833	674,126	217,692	1,024,651	-	-	-	1,024,651	1,377,128
Stories, fact check, multimedia and records	-	115,967	-	59,331	175,298	475	-	-	175,773	198,015
Catering and facility rental	-	-	-	-	-	-	-	-	-	41,936
Websites costs	-	7,925	377	34,607	42,909	617	-	-	43,526	51,681
Conferences, dues and subscriptions	-	21,415	-	9,519	30,934	27,429	-	-	58,363	50,964
Office expenses	-	8,408	452	10,138	18,998	4,294	5,158	-	28,450	28,141
Tape, CD production and book purchases	-	4,000	-	2,500	6,500	-	-	-	6,500	6,460
Investment fees	-	-	-	-	-	40,713	-	-	40,713	31,990
Bad debt	-	-	-	100	100	150	-	-	250	16,000
Miscellaneous	-	-	16,000	11,000	27,000	616	-	-	27,616	18,468
Total expenses	5,862	1,354,221	778,283	1,048,296	3,186,662	588,091	328,694	-	4,103,447	4,532,263
Less expenses deducted directly on the statement of activities										
Direct cost of special events	-	-	-	-	-	-	-	-	-	(29,806)
Investment fees	-	-	-	-	-	(40,713)	-	-	(40,713)	(31,990)
<b>Total expenses reported by function on the statement of activities</b>	<b>\$ 5,862</b>	<b>\$ 1,354,221</b>	<b>\$ 778,283</b>	<b>\$1,048,296</b>	<b>\$3,186,662</b>	<b>\$ 547,378</b>	<b>\$ 328,694</b>	<b>\$ -</b>	<b>\$4,062,734</b>	<b>\$4,470,467</b>

See notes to financial statements.

**TYPE MEDIA CENTER, INC.**

**Statement of Cash Flows**

	<b>Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 822,386	\$ (224,196)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized (gain) on investments	(554,345)	(444,770)
Donated securities	(516,155)	-
Proceeds from sale of donated securities	516,155	-
Change in security deposit	26,750	-
(Increase) decrease in assets		
Contributions and other receivables	500,888	(805,211)
Prepaid expenses	(2,891)	22,211
Increase in liabilities		
Accounts payable and accrued expenses	48,216	24,367
Net cash provided by (used in) operating activities	841,004	(1,427,599)
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(24,863)	-
Purchase of investments	(1,577,982)	(743,007)
Proceeds from sales of investments	586,577	1,867,206
Net cash provided by (used in) investing activities	(1,016,268)	1,124,199
<b>Net change in cash and cash equivalents</b>	<b>(175,264)</b>	<b>(303,400)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,307,498</b>	<b>1,610,898</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,132,234</b>	<b>\$ 1,307,498</b>

See notes to financial statements.

**TYPE MEDIA CENTER, INC.****Notes to the Financial Statements  
December 31, 2021****Note 1 – Nature of organization**

Founded in 1966 (as The Nation Institute), Type Media Center is home to a half-dozen programs and a community of hundreds of journalists, authors, and writing fellows. Our dynamic range of programs includes a bestselling book publishing imprint, Bold Type Books (formerly known as Nation Books); our award-winning Type Investigations (formerly known as the Investigative Fund), which supports groundbreaking investigative journalism; TomDispatch, the widely read and syndicated website; Fellowships that fund over 25 high-profile reporters every year; Prize programs that spotlight invaluable achievements; and high-profile Events that provide a platform for key journalists, thinkers, and activists to discuss the urgent and important issues of our time.

**Note 2 – Summary of significant accounting policies**

The financial statements of the Center have been prepared on the accrual basis. The significant accounting policies followed are described below.

Net assets

The Center reports information regarding its financial position and activities according to the following classes of net assets:

Without donor restrictions

- Net assets without donor restrictions are not restricted by donors, or the donor-imposed restrictions have expired and are available for general operations of the Center.

With donor restrictions

- Net assets with temporary donor restrictions contain donor-imposed restrictions that permit the Center to use or expend the assets including any revenue earned as specified. The restrictions are satisfied either by the passage of time or by action of the Center.
- Net assets with perpetual donor restrictions are subject to donor-imposed restrictions to be maintained in perpetuity by the Center, including contributions and pledges wherein donors stipulate that the corpus of the contribution be held in perpetuity from which the revenue is to be used for the donor stipulated purpose. As of December 31, 2021, the Center had \$375,000 of net assets with perpetual donor restrictions consisting of the Lois H. Ward Fund.

Public support and revenue

Contributions are generally available for general operations unless specifically restricted by the donor. Unconditional promises to give are recorded when received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using reasonable interest rates applicable to the years in which the promises are received to discount the amounts.



**TYPE MEDIA CENTER, INC.****Notes to Financial Statements (continued)  
December 31, 2021****Note 2 – Summary of significant accounting policies (continued)**Public support and revenue (continued)

Grants and other contributions of cash and other assets are reported as support with temporary donor restrictions if they are received with donor stipulations that limit the use of the donated assets or relate to future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with temporary donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Center records bequests as revenue when it is notified of a legally binding obligation and an amount can reasonably be established.

Donated services and in-kind support

Organizations are required to recognize contributions of services if they create or enhance non-financial assets, or require specialized skills, are provided by individuals possessing those skills and typically would have been purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Center. These services do not meet the criteria to be recorded and have not been included in the accompanying consolidated financial statements.

During the 2021 fiscal year, the Center recorded donated services totaling \$106,052, in connection with legal services provided to the Center. These amounts are recorded and revenue on the statement of activities and the corresponding expense is recorded as professional fees on the statement of functional expenses.

Cash equivalents

The Center considers highly liquid investments with original maturities of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. The change in the unrealized value of investments is included in net investment return.

Fair value measurements

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs used to measure fair value are as follows:

**TYPE MEDIA CENTER, INC.**  
**Notes to Financial Statements (continued)**  
**December 31, 2021**

**Note 2 – Summary of significant accounting policies (continued)**

Fair value measurements (continued)

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Observable inputs other than level 1 prices such as quoted prices of similar assets or quoted prices in markets with insufficient volume or infrequent transactions (less than active markets).

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Allowance for doubtful accounts

The Center deems its contributions and other receivables to be collectable, and accordingly does not have an allowance for contributions and other receivables that may not be collectable at December 31, 2021. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Property and equipment

The Center capitalizes, as property and equipment, expenditures for assets in excess of \$2,500 with an estimated useful life of greater than one year. Property and equipment are stated at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets, which ranged from 5 to 11 years. During 2021, the Center wrote off fully depreciated assets totaling \$110,652. The cost of maintenance and repairs is charged to expense when incurred.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses attributable to more than one functional expense category are allocated using an estimate of time and effort spent.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 period. Actual results could differ from those estimates.

**TYPE MEDIA CENTER, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2021**

**Note 2 – Summary of significant accounting policies (continued)**

Comparative information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United State of America. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Concentrations of credit risk

The Center's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, investments and receivables. The Center places its cash with what it believes to be quality financial institutions. The Center's investments are exposed to various risks such as market volatility, liquidity, interest rate and credit. Due to the uncertainty related to the aforementioned risks, it is reasonably possible that changes in these risks could materially affect the fair value of the Center's investments reported in the accompanying statement of financial position at December 31, 2021. Management of the Center deems its receivables to be collectible. The Center believes no significant concentrations of credit risk exist with respect to its cash, investments and contributions and other receivables.

Subsequent events

The Center has evaluated events and transactions for potential recognition or disclosure through August 30, 2022, which is the date the financial statements were available to be issued.

**Note 3– Liquidity and availability of financial assets**

The following is a summary of the Center's financial assets available for general use as of the statement of financial position date:

	<u>2021</u>	<u>2020</u>
<b>Financial assets</b>		
Cash	\$ 1,132,234	\$ 1,307,498
Investments, at fair value	5,524,422	3,978,672
Current portion of contributions receivable	<u>802,469</u>	<u>1,303,357</u>
Sub-total	7,459,125	6,589,527
Less: Net assets with donor restrictions	<u>(4,676,499)</u>	<u>(3,998,214)</u>
Total financial assets	<u>\$ 2,782,626</u>	<u>\$ 2,591,313</u>

**TYPE MEDIA CENTER, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2021**

**Note 3– Liquidity and availability of financial assets (continued)**

The Center’s working capital and cash flows vary due to timing of payments received under grants and a concentration of contributions received near calendar year-end. As part of the Center’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Center invests cash in excess of daily requirements in short-term investments. Net assets with temporary donor restrictions do not include an estimate of such net assets that are expected to be spent on programs during 2021.

**Note 4 – Investments**

For assets measured at fair value on a recurring basis as of December 31, 2021 accounting standards require quantitative disclosures about the fair value measurements separately for each major class of assets as follows:

<u>Description</u>	<u>December 31, 2021</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market funds	\$ 1,206,563	\$ 1,206,563	\$ -	\$ -
Common stocks	1,273,667	1,273,667	-	-
Exchange traded funds	377,274	377,274	-	-
Fixed income				
Government and				
GSE Bonds	667,539	-	667,539	-
Tax exempt bonds	186,678	-	186,678	-
Mutual funds				
International	275,595	275,595	-	-
Fixed income	295,661	295,661	-	-
Equity	1,241,445	1,241,445	-	-
Total	<u>\$ 5,524,422</u>	<u>\$ 4,670,205</u>	<u>\$ 854,217</u>	<u>\$ -</u>

Net investment return for the year ended December 31, 2021 consists of the following:

Interest and dividends	\$ 57,129
Realized and unrealized gain	554,345
Investment management fees	<u>(40,713)</u>
Net investment return	<u>\$ 570,761</u>

**Note 5 – Contributions receivable**

Contributions receivable are unconditional promises to give to the Center which are all expected to be collected during 2022.

**TYPE MEDIA CENTER, INC.**

**Notes to Financial Statements (continued)  
December 31, 2021**

**Note 6 – Property and equipment**

The Center's property and equipment consists of the following at December 31, 2021:

Furniture and fixtures	\$ 20,141
Website and software	90,340
Total property and equipment	110,481
Less: accumulated depreciation and amortization	<u>85,618</u>
Property and equipment, net	<u>\$ 24,863</u>

**Note 7 – Net assets with donor restrictions**

Net assets with temporary donor restrictions

Net assets with temporary donor restrictions consisted of the following as of December 31, 2021:

Fellowship	
Puffin	\$ 1,600,406
Other	1,875,567
Investigative fund	1,527,612
Other programs	
Tom Dispatch	59,215
Johnson Hiss Oral History	<u>33,693</u>
Total net assets with temporary donor restrictions	<u>\$ 5,096,493</u>

During the year ended December 31, 2021, net assets were released from donor restrictions for the following purposes:

Fellowship	
Other	\$ 654,736
Investigative fund	1,705,341
Other programs	
Tom Dispatch	<u>237,792</u>
Total	<u>\$ 2,597,869</u>

Net assets with perpetual donor restrictions

As of December 31, 2021, net assets with perpetual donor restrictions consisted of the Lois H. Ward Fund totaling \$375,000.

**TYPE MEDIA CENTER, INC.****Notes to Financial Statements (continued)  
December 31, 2021****Note 8 – Government grant – Paycheck protection program****2020 Paycheck protection program**

During May 2020, the Center, was approved for and received a \$264,200 term note under the Paycheck Protection Program (the “PPP Loan”). The PPP Loan was created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (the “SBA”). On December 20, 2021, the PPP Loan forgiveness was confirmed by the SBA and as a result, the Center recorded grant revenue of \$264,200.

**2021 Paycheck protection program**

During January 2021, the Center received a second draw under the PPP, totaling \$278,500 at terms substantially similar to the first draw received in 2020. During 2021, the Center believes they met the requirements for loan forgiveness and as a result, the Center recorded grant revenue of \$278,500. The Center submitted, the PPP Loan forgiveness application during April 2021 and on May 6, 2022, the PPP Loan forgiveness was confirmed by the SBA.

**Note 9 – Commitments**

The Center occupied office space under the terms of an operating lease which expired December 31, 2021. The lease required monthly payments of \$18,230. In connection with the lease, the Center provided the landlord with a security deposit of \$33,750. The rental payments for year ended December 31, 2021 totaled \$296,020.

During February 2016, the Center entered into an agreement to sublease a portion of its space to another non-profit organization. The sub-lease required monthly payments of \$9,617 in 2021 and expired December 30, 2021. Rental revenue from this sublease totaled \$180,970 for the year ended December 31, 2021. During May 2022, the Center entered a settlement agreement with the subtenant regarding unpaid sub-lease rent totaling \$152,701. In connection with the settlement agreement, the subtenant paid the Center \$50,000 and agreed to remit the remaining amount due by September 23, 2022.

During December 2021, the Center, entered into a real estate license agreement (the “License”) for office space. The License requires monthly payments of \$7,000 expiring December 31, 2022. Ninety days prior to the expiration of the License, the terms of the License may be extended for a successive one-year term. In connection with the License, the Center provided a security deposit of \$7,000.

**Note 10 – Retirement plans**

The Center maintains a 403(b) retirement plan covering substantially all eligible employees.

The Center also maintains a Simplified Employee Pension (SEP) covering all eligible employees. During 2021 and 2020, the Center contributed 5% of an employee’s compensation to the plan; such contributions totaled \$45,664 and \$49,890, respectively.

**TYPE MEDIA CENTER, INC.****Notes to Financial Statements (continued)  
December 31, 2021****Note 11 – Tax status**

The Center is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income taxes. As a nonprofit organization, the Center is also exempt from California State, New York State, and New York City income tax.