

Registered number: 03446016  
Charity number: 1064670

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS COMMITTEE MEMBERS AND ADVISERS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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<b>Committee Members</b>	<p>Dr B Burns, Chair until 15 May 2021, appointed Company Secretary 15 May 2021<sup>1,3</sup></p> <p>Professor D Connon, Chair from 15 May 2021</p> <p>Professor A Fell, Honorary Secretary until 15 May 2021 (resigned 15 May 2021)</p> <p>Professor A Finch, Honorary Treasurer until 15 May 2021 (resigned 15 May 2021)<sup>1</sup></p> <p>Professor C Paver, Honorary Treasurer from 15 May 2021<sup>2</sup></p> <p>Professor K Astbury<sup>2,3</sup></p> <p>Professor B Bollig<sup>2</sup></p> <p>Professor G Bonsaver</p> <p>Dr E Claussen (resigned 13 February 2021)</p> <p>Dr Guillem Colom-Montero (appointed 13 February 2021)</p> <p>Professor S Dixon (appointed 13 February 2021)</p> <p>Dr S Evangelista</p> <p>Professor F Finlay</p> <p>Professor S Gilson (appointed 17 October 2020)</p> <p>Professor A Hadfield</p> <p>Professor S Harrow</p> <p>Professor A Hiscock</p> <p>Dr D Holmes</p> <p>Dr A Lewis<sup>1</sup></p> <p>Professor J Long</p> <p>Dr E Lygo (resigned 15 May 2021)</p> <p>Dr M Maguire (appointed 15 May 2021)</p> <p>Professor P de Medeiros</p> <p>Professor D Midgley (resigned 15 May 2021)<sup>3</sup></p> <p>Dr C Moran (appointed 21 September 2021)</p> <p>Dr L O'Meara</p> <p>Professor W Ouyang</p> <p>Professor M Rady (resigned 20 October 2020)</p> <p>Dr S Rodway</p> <p>Professor D Wheeler<sup>2</sup></p> <p>Dr C White (resigned 13 February 2021)</p> <p>Mr J Wong</p> <p><sup>1</sup> Member of Conference Grants subcommittee</p> <p><sup>2</sup> Member of Research Associateships subcommittee</p> <p><sup>3</sup> Member of Research Scholarships subcommittee</p>
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In addition, attendance by invitation as (non-trustee/director) advisers: Mrs A Callander, Mrs A Keith, Mr G Lowe, Dr G Nelson, and as postgraduate representatives: Ms H O'Kell, Ms A Prelec

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS COMMITTEE MEMBERS AND  
ADVISERS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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<b>Registered office</b>	Salisbury House Station Road Cambridge CB1 2LA
<b>Company secretary</b>	Professor A. Fell (until 15 May 2021); Dr B. Burns (from 15 May 2021)
<b>Honorary treasurer</b>	Professor A. Finch (until 15 May 2021); Professor C. Paver (from 15 May 2021)
<b>Independent auditors</b>	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	Lloyds Bank Plc 3 Sidney Street Cambridge CB2 3HQ
<b>Solicitors</b>	Trowers & Hamblins LLP 3 Bunhill Row Southernhay Gardens London EC1Y 8YZ  Keystone Law 48 Chancery Lane Holborn London WC2A 1JF
<b>Investment managers</b>	Brewin Dolphin Securities Limited 12 Smithfield Street London EC1A 9LA  CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET  Tilney 6 Chesterfield Gardens Mayfair London W1J 5BQ
<b>Managing Editor</b>	Mr G Nelson

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS COMMITTEE MEMBERS AND  
ADVISERS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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<b>Printers, publishers and agents</b>	Turpin Distribution Stratton Business Park Pegasus Drive Biggleswade SG18 8TQ
	CPI Books 108-110 Beddington Lane Croydon CR0 4YY
	JSTOR 2 Rector Street, 18th Floor New York NY 10006 USA
	Lightning Source Chapter House Pitfield Kiln Farm Milton Keynes MK11 3LW
<b>Senior Publishing Manager</b>	Mr G M Lowe

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The Trustees present their annual report together with the audited financial statements of the Association for the year ended 30 September 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second Edition October 2019 (effective 1 January 2019).

Since the Association qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The Association was founded in Cambridge in 1918 and incorporated in 1997. The Association has become an international organisation with members in all parts of the world. Its purpose is to encourage and promote advanced study and research in the field of the modern humanities, especially modern European languages and literatures (including English). It is concerned to break down the barriers between scholars working in different disciplines and to maintain the unity of humanistic scholarship in the face of increasing specialisation.

## **OBJECTIVES AND ACTIVITIES**

### **Policies and objectives**

The Association fulfils this purpose primarily through the publication of journals, bibliographies, monographs and other aids to research. Increasingly, electronic publication is becoming a feature of this work, a trend expected to continue. Annually, the Association awards three Research Associateships to corporate projects of distinction such as dictionaries, textual editions, bibliographies, or related scholarly enterprises. It has a Conference Fund with up to four awards to support academic conferences held in the United Kingdom or Ireland. It offers up to four Research Scholarships to help revision of doctoral theses for publication. It also assists with the publication of original work by collaboration with other learned bodies. The Association plans to extend the scope and extent of these activities, within the resources available, as opportunities present themselves.

The Association enjoys friendly relations with similar bodies in this country and abroad. The Modern Humanities Research Association (MHRA) is a member of the Association of Learned or Professional Society Publishers (ALPSP).

There have been no material changes to the policy adopted by the Association in pursuit of its objectives. The Association's assets remain adequate to fulfil all the obligations arising from the above policies and a substantial reserve has been built to ensure the continuance of its charitable aims. Criteria for assessing the Association's performance, therefore, remain the extent to which it continues to disseminate scholarly research of proven quality within its subject remit, render financial support to researchers in the modern humanities through its grant schemes and generate sufficient funds to ensure its long-term commitment to its publishing and grant-giving programmes. The following reviews should be read with these criteria in mind.

The Association remains committed to the development and enhancement of its core publishing activities, and in recent years has been active in encouraging advanced research through other media, such as conferences and online postgraduate publication. Its aims of maintaining the highest standards in academic achievement, and involving as broad a constituency as practically possible, thus clearly correspond to the Association's purposes as detailed in the preceding section 'Policies and Objectives', and significantly contribute to the public benefit of advancing education and scholarship. The Association actively seeks to support early career researchers wishing to remain within the profession, and runs a funding scheme (Research Scholarships) which provides bursaries to help revision of PhD theses for publication, bridging the gap between doctoral study and full employment in a university post. Through its commitment to free online open-access publishing, in particular the MHRA Working Papers and Style Guide, the Association also seeks to disseminate its publications without extra costs to students and scholars.

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. As such, they remain satisfied that any interested reader competent to derive benefit from its publications can readily access them free of charge through university holdings and online repositories. In the rare cases of requests from developing countries, material is always supplied without a request for remuneration.

#### Grant-making policies

The Association currently disburses grants under three schemes: Conference Fund, Research Associateships and Research Scholarships. In all instances, the Trustees invite applications from suitably qualified candidates with proposals which match the specific eligibility criteria. Following discussion by the Trustees of the academic merit and suitability of the applications, all candidates are notified of their success or otherwise, or if further submission or clarification is required. It is the Association's intention, subject to peer review and availability of funds, to develop and increase its support for research projects in the modern humanities.

#### **ACHIEVEMENTS AND PERFORMANCE**

Company Secretary's Review of the activities of the Association for the period 1 October 2020 to 30 September 2021

The present report covers the twenty-fourth year of the Association's activities since its incorporation as a charitable company limited by guarantee.

The company held its twenty-third Annual General Meeting on 13 May 2021, via videoconferencing. The Officers for the forthcoming year were confirmed as Professor Derek Connors (Chair), Dr Barbara Burns (Company Secretary), and Professor Chloe Paver (Honorary Treasurer). The Trustees recorded their appreciation for the dedicated work of six colleagues who were retiring or had recently retired from the Committee: Professor Finch, Professor Fell, Dr Claussen, Dr Lygo, Professor Midgley and Dr White. A special vote of thanks was extended to Professors Finch and Fell for their significant contribution to the Association in their respective roles as Honorary Treasurer and Honorary Secretary. Colleagues noted with sadness the death of Professor Gar Yates, who had loyally served the MHRA for 35 years. In the course of the year Dr Colom-Montero was welcomed to the Committee as the Association's new Communications Officer, Dr Muireann Maguire as the new Slavonic Editor of MLR, and Ms A. Prelec as second Postgraduate Editor of MHRA Working Papers in the Humanities.

The continuing challenges resulting from the pandemic have made this a demanding year for the Association's scholarly journals, as academics have had to adapt their work practices, and some have faced onerous workloads linked to online delivery of university teaching. Despite these difficulties, however, the MHRA journals have managed to stay broadly on schedule, and thanks are due to authors, editors and employees for their effort, commitment and good will in an unprecedented working environment. The Modern Language Review, Vol. 116, 681 pp., contains 25 articles and a very substantial reviews section. Volume 99 of the Slavonic and East European Review, 800 pp., contains 20 articles and 98 book reviews. Vol. 94 of The Annual Bibliography of English Language and Literature (report year 2019), xxxvi + 1094 pp., contains 17,311 entries. The Yearbook of English Studies, Vol. 51, edited by Samuel Rogers, on the theme 'Contemporary British and Irish Poetry', is due for publication in the autumn. Portuguese Studies, Vol. 37, no. 1, 134 pp., edited by Márcio Seligmann-Silva, contains seven articles on the theme 'Brazil in the Midst of Neoliberal Turmoil: Devastation and Resistance' and a reviews section, and Vol. 37, no. 2, edited by Ana Mafalda Leite, on the theme 'Literatures and Cultures of the Indian Ocean', is scheduled to appear by the end of the year. Vol. 28 of Austrian Studies, 230 pp., edited by Clemens Peck and Deborah Holmes, contains 11 essays on the theme 'Fragments of Empire: Austrian Modernisms and the Habsburg Imaginary', as well as a substantial introduction and reviews section. Vol. 15 of the electronic open-access journal MHRA Working Papers in the Humanities, edited by the postgraduate representatives Hannah McIntyre and Hayley O'Kell, contains articles spanning literature from the fourteenth century to the twenty-first, on the theme 'Echo'. As in previous years, this volume showcases what is often the first published article of promising postgraduate researchers, a vital step on the road to future academic careers.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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Following the decision by JSTOR to end their Journal Hosting Program in December 2021, the Association has signed an agreement with Project MUSE to host our journals in future. We are delighted to be partnering with an organization that shares our goal of disseminating the highest quality research in a format that is designed to best address the needs of academic libraries and their users.

For *Legenda*, the current report year began just after the final 23 titles of our major pre-REF list were published. Our forward list therefore needed to be restocked. 29 new contracts were signed, *Legenda*'s first entirely new series since 2016, entitled 'Visual Culture', was announced, and 46 new books began active production. Of those, 13 were completed by September 2021, with others in press as the report year ended. The popular paperback line added 32 titles, and 140 library-use ebooks were issued via JSTOR. Major productions included a heavily illustrated Venetian epigraphy and an international collaboration on a book marking the 700th anniversary of Dante's death. Anna Kendrick's volume on Spanish childhood won the ISCHE Prize for the best first book on the history of education, and *Prismatic Translation*, a landmark collection edited by Matthew Reynolds, was commended by the International Comparative Literature Association.

The 'MHRA Critical Texts' series saw a reduced number of completed projects, with delays stemming primarily from Covid-related issues faced by authors. One new volume appeared: *Life and Death on the Plantations: Selected Jesuit Letters from the Caribbean*, edited by Michael Harrigan (Vol. 68), and 12 others are under contract. One new volume was published in the 'Jewelled Tortoise' subseries, dedicated to aesthetic and decadent literature of the British and European fin de siècle: *Hubert Crackanthorpe: Selected Writings*, edited by William Greenslade and Emanuela Ettore (Vol. 7), and six further volumes are under contract.

The MHRA Style Guide continues to be the Association's best-selling publication, serving the academic community in the Arts and Humanities well beyond the parameters of the MHRA's own focus on Modern Languages and English Studies. Despite the availability of the free and fully hyperlinked online version which attracts a large number of users, the paperback version is still in relatively high demand, having sold more than 400 copies in the last year.

Work on the 'MHRA Translations' series proceeds steadily. The 'MHRA Tudor and Stuart Translations' series saw three publications: *Plutarch in English, 1528–1603*, edited by Fred Schurink, Volume 1: *Essays* (Vol. 2/1), Volume 2: *Lives* (Vol. 2/2), and Thomas May, *Lucan's 'Pharsalia' (1627)*, edited by Emma Buckley and Edward Paleit (Vol. 18), and has a busy slate of 15 forthcoming titles. While no new books have come to press this year in the 'MHRA New Translations' series, five volumes are under contract, three of which are scheduled to appear very soon. There have been no new publications in the 'MHRA European Translations' series, but one volume is forthcoming. Finally, one new title has been published in the Association's 'Library of Medieval Welsh Literature' series: *Delw y Byd: A Medieval Welsh Encyclopedia*, edited by Natalia I. Petrovskaia, and two further volumes are under contract.

The Association continues to disburse grants in support of high-quality applications for research in our disciplines. Three Research Associateships were awarded this year: Dr Sarah Pyke was appointed to work with Professor Eugene Giddens at Anglia Ruskin University on *The Cambridge History of Children's Literature*, Dr Laurie Atkinson was appointed to work with Professor Julia Boffey at Queen Mary University of London on *The Cambridge Edition of the Works of Geoffrey Chaucer*, and Dr Jenny McAuley was appointed to work with Professor Pamela Clemit, also at Queen Mary University of London, on *The Letters of William Godwin*, vol. IV. A smaller number than usual of applications for Conference Grants were received this year, the reduction being due perhaps to pandemic-related factors which meant that many conferences were being arranged as online events. The quality of proposals, however, was excellent, and awards of up to £1,500 each were made to the following four applicants: Dr Jacob Blakesley (University of Leeds), 'English Translations of Dante's *Divine Comedy*'; Dr Fransiska Louwagie (University of Leicester), 'Revisiting France and the Second World War: Contemporary Research Paradigms and Trajectories'; Professor Ritchie Robertson (University of Oxford), 'The Heritage of Humanism and Enlightenment in Exile Literature'; Professor Giuseppe Stellardi (University of Oxford), 'Editions, Translations, Transmissions. "That Awful Mess" of Carlo Emilio Gadda'. Finally, the Association remains committed to its Research Scholarships scheme, which aims to help retain the most talented early career researchers within the discipline, as well as to fund excellent research projects, by awarding



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**TRUSTEES' REPORT (CONTINUED)**  
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one-year postdoctoral scholarships. In 2021 three new Scholarships were awarded to be held in the academic year 2021–22, as follows: Dr Marco Biasioli, working on Russian popular music culture in the period 2008-2018, at the University of Nottingham; Sara Boezio, working on Italy and the European fin de siècle, at the University of Warwick; and Alexander Brown, working on cultural memory relating to the German Democratic Republic, with a particular focus on the arrest and prosecution of Politburo member Paul Merker in the 1950s, at Newcastle University.

During the last year the MHRA's trustees took the decision to discontinue the role of Honorary Secretary, replacing this with the professionalized (part-time) post of Company Secretary. This change reflects the increasing complexity of the Association's work and facilitates a focused approach to various areas of business including legal compliance, risk management and strategic planning. Dr Barbara Burns took up this position on 1 August 2021. The Association has made good progress during the last year with measures to increase its national and international social media profile. The new Communications Officer, Dr Guillem Colom-Montero, has invested considerable work in increasing the MHRA's Twitter presence with the objective of building an ongoing relationship both with our monograph and journal authors, and with the wider academic community. A recognizable aesthetic image has been developed for MHRA Tweets, and scholars from the UK and around the world have been engaging with our publications via this medium. Our policies conforming to GDPR legislation are being followed, and letters were sent in September by the Data Protection Trustee, Dr Burns, to all Committee members and external editors of the Association's journals and monograph series, to remind colleagues of their legal responsibilities regarding data management. Mr Lowe has continued to update the Committee regularly on developments relating to Open Access and the potential implications of the new REF policy for the MHRA. Finally, the Association is represented at relevant meetings with other learned societies, including the British Academy, the Arts and Humanities Research Council, the Institute of Modern Languages Research, the Alliance of Modern Languages, Area Studies and Linguistics Subject Associations UK (AMLUK) and similar bodies, and responds to requests for consultation and information.

Barbara Burns  
Company Secretary, MHRA

## **FINANCIAL REVIEW**

### **Risk management**

Major financial decisions, in common with all matters of policy, are taken by the Committee (the membership of which includes all the Directors) and duly minuted. The Honorary Treasurer and Associate Treasurer (Trustees) attend to daily accounting matters and are in constant discussion about issues affecting the Association's financial well being and the minimising of risk. The Senior Publishing Manager and the MHRA Managing Editor provide professional advice to the treasurers, Company Secretary and Committee about current compliance issues relating to the rapidly expanding field of electronic publishing and communications. In the course of its periodic review of all the Association's activities, the Committee, drawing on the advice of its specialist editors, administrators, accountants and investment managers, identifies risk, giving due regard to the likelihood of occurrence and severity, and considers the most appropriate and cost effective measures. In 2021, work commenced on a risk register, to provide a more structured framework within which issues can be identified and mitigations and counteractions developed. Many of the risks reported in 2020 continue to exercise the Association: the impacts of COVID as affecting authors, editors and the publication process; pressures on academic libraries' budgets; resilience issues, particularly in respect of subscription agents and content platforms; and continuing lack of clarity on the detailed implications of open access for monographs.

**Honorary Treasurer's Report on the financial activities and standing of the Association during the period 1 October 2020 to 30 September 2021**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The Association has successfully continued to maintain its publication and grant-giving activities at its customary level. A strong balance sheet and investment growth continue to provide the necessary underpinning to allow the Trustees to undertake publishing projects for which payback could not be envisaged within normal commercial timescales.

#### Publications

Overall the Publications Account returned a surplus of £163,801, a 33% increase on the outcome for 2020 (£123,119) and comparable to that for 2019 (£176,245). The improvement was attributable to an increased financial contribution from journals, lower editorial and production costs on books (fewer titles being brought to press in 2021) and additional back-sales income from the Legenda series.

#### Periodicals

Improved surpluses were yielded by Modern Language Review (£144,621 (2020: £132,791)), Slavonic and East European Review (£47,319 (2020: £40,659)) and Yearbook of English Studies (£32,354 (2020: £30,378)). Surpluses on Austrian Studies (£4,621 (2020: £4,637)) and Portuguese Studies (£734 (2020: £2,821)), however, were reduced in 2021. The Annual Bibliography of English Language and Literature yielded a reduced surplus of £36,821 (2020: £40,546).

#### MHRA books

Fewer book titles were published and hence brought to account in 2021, partly owing to COVID-related delays affecting authors and editors and partly to production timing vis-à-vis the accounting year. The resulting decrease in overall editorial and production costs is reflected in the outcomes of the various book series. Legenda, also aided by a boost in back-sales royalties, returned a much-reduced deficit of £9,182 (2020: £39,675). The Critical Texts series realised a surplus of £2,350 (2020: deficit of £1,429), while the deficit on the Library of Medieval Welsh, also enjoying steadily increasing back-sales, reduced to £121 (2020: £314). Against this trend, the Translations series returned a deficit of £1,830 (2020: surplus of £1,071) and Jewelled Tortoise a deficit of £561 (2020: surplus of £431). The surplus realised by print sales of the Style Guide markedly decreased in 2021 to £1,299 (2020: £2,340), a reflection, no doubt, of the greater convenience of the free on-line version for home study. Diminishing net contributions were recorded by discontinued book series: Bibliographies £85 (2020: £137), Texts and Dissertations £778 (£1,239) and Publications of the MHRA £22 (2020: £362).

#### Funding schemes

The Association has maintained its commitment to supporting research by scholars, from their early career stage onwards, through its funding schemes as set out in the Company Secretary's Report. The Committee awarded 4 Conference Fund grants, 3 Research Associateships and 3 Research Scholarships in Modern European Languages to take effect in 2021-22.

#### Membership

Income from membership subscriptions realised £1,090 in 2021 (2020: £988).

#### Reserves policy

Since 2005 the Association has maintained a designated Investment Fund, income from which is used to support the Association's current work, in particular its monograph-publishing programme and other relevant academic charitable disbursements, and to provide resources for new publishing ventures as suitable proposals arise. There being no decrease in the demands on the Investment Fund, the Committee intends to continue the designation and, in addition, to maintain a free reserve equivalent to two years' total annual expenditure to meet short-term contingencies. The reserves are subject to periodic review by the Committee to ensure that financial strategy reflects changing economic circumstances and new undertakings.

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**TRUSTEES' REPORT (CONTINUED)**  
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Book valuation of the total accumulated funds at 30 September 2021 stood at £8,574,310 (2020: £7,674,194), an increase substantially explained by unrealised gains on investments of a similar magnitude to those in the previous year (£797,667 (2020: £792,583)). The total valuation of investments at the same date was £7,753,875 (2020: £6,994,441) of which £6,967,461 (2020: £6,236,550) are those designated for the long-term to generate income and capital growth.

At 30 September 2021, free reserves (the General Fund) stood at £1,606,749 (2020: £1,437,647). With annual expenditure currently running at £668,770, the value of these reserves is slightly in excess of that of the Association's policy of retaining a sum equivalent to two years' total annual expenditure. The Trustees continue to monitor the reserve levels in the light of anticipated future commitments and recommend transfers, where appropriate.

#### Conclusion

The 2021 deficit of £16,337 (2020: deficit of £138,871; 2019: deficit of £35,296), before unrealised gains of £797,667 plus £118,783 of gains from the disposal investments, represents a very satisfactory outcome for the year of report. Internal income and expenditure budgets forecasted an income and expenditure deficit of £124,165, without attempting to predict realised gains/losses on investments (trading being wholly at the discretion of investment managers). Discounting realised investment gains, the outcome is similar to predictions.

I should like to thank the academic editors of our publications, whose dedicated and generous outlay of time in a range of activities provides a vast financial benefit to the Association; and to thank our Chair, Professor Derek Connon, and our Company Secretary, Dr Barbara Burns, whose support, together with that of the other members of the Committee in their capacity as Trustees, has been essential. Also deserving of the Association's gratitude are the many paid editorial and administrative assistants by whom most of our publishing projects are supported, and our management team of Mr Jeremy Wong, Associate Treasurer, and Mr Gerard Lowe, Senior Publishing Manager, both of whom have assisted greatly in compiling this report; as well as Dr Graham Nelson, MHRA Managing Editor.

Professor Chloe Paver, Honorary Treasurer  
30 November 2021

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Modern Humanities Research Association is registered as a charitable company limited by guarantee (incorporated in the UK, company number 03446016 and a charity registered in England and Wales charity number 1064670) and was set up by a Memorandum of Association dated 2 October 1997.

The principal object of the Association is to encourage and promote advanced study and research in the field of modern humanities, especially modern European languages and literatures (including English).

### **Methods of appointment or election of Trustees**

As stated in the Association's Memorandum of Association, members of the Committee act as charity Trustees. Appointments are made by the Committee from recommendations made by Committee members and, as Trustees normally have editorial responsibility for one or more of the Association's publications, reflect specific academic specialisms and editorial skills necessary to further the Association's publishing programme.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Organisational structure and decision-making policies**

Control of the Association, its property and funds, is in the hands of the Committee. The Committee meets three times a year. It consists of the Officers, the Editors of each of the Association's periodical and annual publications, and at least six other members of the Association elected or re-elected for a three year period at the Annual General Meeting (one third retiring each year). Provided that it does not exceed its notional upper limit of thirty members, the Committee has the power at any time to co-opt. A co-opted Committee Member holds office only until the next AGM. The Officers (Honorary Secretary and Honorary Treasurer) are appointed or re-appointed annually by the Committee, as is the Chair. The day-to-day management and administration of the Association is carried out by the Honorary Secretary, the Honorary Treasurer, and the Associate Treasurer, in consultation with the Chair, the Editors, the Senior Publishing Manager, and other members of the Committee.

**Policies adopted for the induction and training of Trustees**

All new trustees are provided with documentation summarising their legal and charitable responsibilities. Wherever possible, periods of overlap with previous trustees are arranged to ensure that new recruits become familiar with their specific editorial role within the Association. New trustees are encouraged to attend Committee meetings and participate in decision-making affecting all aspects of the Association's activities and governance.

**Staff remuneration policy**

The Trustees appreciate the importance of developing the Association's human resources, while ensuring that remuneration is cost-effective and fair. Key management personnel of the charity comprises the Trustees, Company Secretary, Honorary Treasurer, Associate Treasurer and Publications Manager. Rates of pay on recruitment are based on rates offered by publishers or universities for comparable work; salaries are reviewed annually and increased with regard to inflation, general salary awards in higher education institutions and any changes in duties undertaken by staff in question.

**PLANS FOR THE FUTURE**

The Association's objectives for 2021–22 include its commitment to publishing high-quality peer-reviewed journal articles across the range of its disciplines, the addition of further titles to its Critical Texts series, MHRA Translations series, Library of Medieval Welsh Literature series, and new monographs in the Legenda imprint which will see the publication of its 500th volume in the coming year. Plans to proceed with a working group to consider the possibility of establishing a new journal, which have been on hold during the last year, will be revisited in 2022 when the financial impact of the Covid crisis becomes clearer. The Research Associateship scheme for 2021–22 will provide up to three Associateships for projects of the highest academic calibre, and applications will again be invited for the Conference Fund and Research Scholarships scheme, each offering up to four bursaries to successful candidates. The MHRA Committee will continue to devote part of each meeting agenda to discussing strategic issues including risk management, book and journal pricing, and grant giving. In particular, 2022 will see the introduction of a formal Risk Register to assist with the identification and mitigation of specific risks such as those related to data resilience, legal compliance and income from publications and investments. Plans are also being pursued to revise the Articles of Association with a view to growing the membership by streamlining the application process and possibly removing membership fees in future. Finally, having held meetings successfully via videoconferencing during the last year but also having benefitted from discussing matters in person when restrictions were lifted, the Committee has decided to implement a mix of in-person and online meetings in the coming year, which reduces somewhat the Association's travel-related carbon footprint, while retaining the advantages of occasional face-to-face interaction.

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**TRUSTEES' REPORT (CONTINUED)**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of the Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**AUDITORS**

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

**Professor Chloe Paver**  
Honorary Treasurer  
Date: 12 February 2022

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN HUMANITIES RESEARCH ASSOCIATION**

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**Opinion**

We have audited the financial statements of The Modern Humanities Research Association (the 'association') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN HUMANITIES RESEARCH ASSOCIATION (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN HUMANITIES RESEARCH  
ASSOCIATION (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN HUMANITIES RESEARCH ASSOCIATION (CONTINUED)**

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**Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- we assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN HUMANITIES RESEARCH ASSOCIATION (CONTINUED)**

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- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Michael Hewett*

**Michael Hewett (Senior Statutory Auditor)**

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 22 February 2022

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME FROM:</b>				
Charitable activities	4	567,996	567,996	551,249
Investments	5	84,437	84,437	68,489
<b>TOTAL INCOME</b>		<b>652,433</b>	<b>652,433</b>	619,738
<b>EXPENDITURE ON:</b>				
Raising funds	6	50,010	50,010	42,436
Charitable activities	7	618,760	618,760	716,173
<b>TOTAL EXPENDITURE</b>		<b>668,770</b>	<b>668,770</b>	758,609
<b>NET EXPENDITURE BEFORE NET GAINS ON INVESTMENTS</b>		<b>(16,337)</b>	<b>(16,337)</b>	(138,871)
Net gains on investments		916,450	916,450	728,591
<b>NET MOVEMENT IN FUNDS</b>		<b>900,113</b>	<b>900,113</b>	589,720
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		7,674,197	7,674,197	7,084,477
Net movement in funds		900,113	900,113	589,720
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>8,574,310</b>	<b>8,574,310</b>	7,674,197

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 39 form part of these financial statements.

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03446016**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Investments	11	7,994,598	7,122,597
		<u>7,994,598</u>	<u>7,122,597</u>
<b>CURRENT ASSETS</b>			
Debtors	12	122,542	125,631
Cash at bank and in hand		756,054	683,323
		<u>878,596</u>	<u>808,954</u>
Creditors: amounts falling due within one year	13	(210,275)	(171,704)
<b>NET CURRENT ASSETS</b>		668,321	637,250
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,662,919</u>	<u>7,759,847</u>
Pension provision		(88,609)	(85,650)
<b>TOTAL NET ASSETS</b>		<u>8,574,310</u>	<u>7,674,197</u>
<b>CHARITY FUNDS</b>			
Unrestricted funds	15	8,574,310	7,674,197
<b>TOTAL FUNDS</b>		<u>8,574,310</u>	<u>7,674,197</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 12 February 2022 and signed on their behalf by:

*Chloe E M Paver*

.....  
**Professor C. Paver**  
Honorary Treasurer

*Barbara Burns*

.....  
**Dr B Burns**  
Company Secretary

The notes on pages 20 to 39 form part of these financial statements.

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>Note</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	17	<b>(56,155)</b>	(217,606)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interests and rents from investments		<b>84,437</b>	68,489
Net cash transferred from / (to) investment portfolio		<b>44,449</b>	41,156
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>128,886</b>	<b>109,645</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>72,731</b>	<b>(107,961)</b>
Cash and cash equivalents at the beginning of the year		<b>683,323</b>	791,284
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	18	<b>756,054</b>	683,323

The notes on pages 20 to 39 form part of these financial statements

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. GENERAL INFORMATION**

The Association is a company limited by guarantee. The members of the Association are the Committee named on page 1. In the event of the Association being wound up, the liability in respect of the guarantee is limited to £1 per member of the Association.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition October 2019 (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Modern Humanities Research Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 GOING CONCERN**

The Trustees have prepared forecasts for 2022-23, considering the impact of the global pandemic and the trading period beyond this.

Upon their review, the Trustees believe the Association will have sufficient resources to meet its liabilities as they fall due for the period until at least 30 September 2023 and therefore continue to adopt a going concern basis in preparing the financial statements.

**2.3 INCOME**

All income is recognised once the Association has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Publication income is recognised at the later of the publication date or receipt of a sales order.

Membership income is recognised in the period to which it relates, with subscriptions received early being deferred.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

Support costs are those incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements and are allocated based on time spent.

Expenditure on raising funds includes all expenditure incurred by the Association to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Association's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**2.5 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Association; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 FOREIGN CURRENCIES**

The functional currency is pound sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

No fixed assets were capitalised in the current or prior year.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 20% straight line
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**2.8 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**2.9 STOCKS**

No account has been taken of volumes of stock at the year end. At this point in time, all volumes published in the current period become back issues and it is impossible to predict the reliable value of these therefore no value is included in these accounts for stock held at the year end.

**2.10 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.11 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.12 LIABILITIES**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Association anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.



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**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.13 FINANCIAL INSTRUMENTS**

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.14 PENSIONS**

The Association participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Association therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Association has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

**2.15 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

All income and expenditure in the current and prior year is unrestricted.

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

**USS Pension Deficit Provision**

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102.

The Trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and have therefore recognised a provision for the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

Calculating the provision requires the use of several estimates and judgements, such as future salary inflation, interest rates and increases in headcount.

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Membership	1,090	<b>1,090</b>	988
Publication sales	566,906	<b>566,906</b>	550,261
	<u>567,996</u>	<u><b>567,996</b></u>	<u>551,249</u>
TOTAL 2020	<u><u>551,249</u></u>	<u><u>551,249</u></u>	

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**5. INVESTMENT INCOME**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Listed investments income	84,378	<b>84,378</b>	66,650
Bank interest	59	<b>59</b>	1,839
	<u>84,437</u>	<u><b>84,437</b></u>	<u>68,489</u>
TOTAL 2020	<u>68,489</u>	<u>68,489</u>	

**6. INVESTMENT MANAGEMENT COSTS**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Portfolio management charges	50,010	<b>50,010</b>	42,436
TOTAL 2020	<u>42,436</u>	<u>42,436</u>	

**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	361,819	182,402	74,539	<b>618,760</b>	716,173
TOTAL 2020	<u>425,253</u>	<u>222,852</u>	<u>68,068</u>	<u>716,173</u>	

**THE MODERN HUMANITIES RESEARCH ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	211,609	<b>211,609</b>	243,237
Publication expenditure	119,658	<b>119,658</b>	150,926
Stationery, postage, telephone, equipment	1,328	<b>1,328</b>	1,367
Bank charges	312	<b>312</b>	325
Miscellaneous expenses	2,752	<b>2,752</b>	2,982
Electronic publishing	25,529	<b>25,529</b>	25,615
Exchange gains/(losses)	1	<b>1</b>	22
Pension interest cost	630	<b>630</b>	779
	<u>361,819</u>	<u><b>361,819</b></u>	<u>425,253</u>
TOTAL 2020	<u>425,253</u>	<u>425,253</u>	

**Analysis of support costs**

	<b>Governance 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Supporting administrative services	13,905	<b>13,905</b>	9,426
Auditors' fees - Audit	8,585	<b>8,585</b>	7,560
Auditors' fees - Other services	5,749	<b>5,749</b>	6,276
Travel expenses	737	<b>737</b>	4,055
Wages and salaries	44,412	<b>44,412</b>	40,751
	<u>73,388</u>	<u><b>73,388</b></u>	<u>68,068</u>

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**8. GRANT COSTS**

Institutional grants are detailed below:

	2021 £	2020 £
Research Associateships	71,306	75,000
Editorial expenditure	70,676	67,293
Publications and conferences	2,920	3,059
British Academy Small Research Grants	-	27,500
Research scholarships	37,500	50,000
	<u>182,402</u>	<u>222,852</u>

**Associateships**

Associateships are awarded annually to institutions for research projects.

	2021 £	2020 £
Anglia Ruskin University	25,000	-
Birkbeck College, London	-	25,000
De Montfort University	-	25,000
Keele University	-	25,000
Leeds University	(3,964)	-
Queen Mary, University of London (Chaucer)	25,000	-
Queen Mary, University of London (Godwin)	25,000	-
	<u>71,036</u>	<u>75,000</u>

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**Editorial expenditure**

Grants are provided to defray editorial expenditure related to MHRA publications and activities.

	<b>2021</b> £	2020 £
School of Slavonic and East European Studies (Slavonic and East European Review)	<b>61,335</b>	62,647
University of Bangor (Modern Language Review and Yearbook of English Studies)	<b>7,132</b>	3,006
University of Oxford (Austrian Studies and Portuguese Studies)	<b>2,209</b>	1,640
	<b>70,676</b>	67,293

**Conferences**

Non-repayable support for conferences

	<b>2021</b> £	2020 £
Durham (Elena Ferrante in a Global Context)	<b>1,500</b>	-
Leeds University (From Digital to Analogue: Film Criticism in the Spanish- and Portuguese-speaking World)	<b>1,420</b>	-
National University of Ireland, Maynooth (E.M. Forster: texts, contexts, receptions)	-	596
University of Oxford (Crossing borders: world literature as contemporary romanticism)	-	1,453
Warburg Institute, London (Plurilingualism in Early Modern Europe)	-	1,010
	<b>2,920</b>	3,059

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**Research scholarships**

Research scholarships are provided to support scholars in the early postdoctoral phase of their careers

	2021 £	2020 £
University of Newcastle (A. Brown)	12,500	-
University of Nottingham (E. Vargas Holguin)	-	12,500
University of Nottingham (M. Biasioli)	12,500	-
University of Oxford (T. Clark)	-	12,500
University of Oxford (J. Raisbeck)	-	12,500
University of Warwick (S. Boezio)	12,500	-
University of Warwick (G. Brecciaroli)	-	12,500
	<u>37,500</u>	<u>50,000</u>

**9. AUDITORS' REMUNERATION**

	2021 £	2020 £
Fees payable to the Association's auditor for the audit of the Association's annual accounts	8,585	7,560
Other non audit services		
All non-audit services not included above	<u>5,749</u>	<u>6,276</u>

**10. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	196,394	191,146
Social security costs	17,026	16,591
Contribution to defined contribution pension schemes	43,752	76,251
	<u>257,172</u>	<u>283,988</u>

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**10. STAFF COSTS (CONTINUED)**

The average number of persons employed by the Association during the year was as follows:

	<b>2021 No.</b>	2020 No.
Publications and related expenditure	4	4
Management and administration	2	2
	<u>6</u>	<u>6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021 No.</b>	2020 No.
In the band £60,001 - £70,000	2	1

Key management personnel of the charity comprises the Trustees, Company Secretary, Honorary Treasurer, Associate Treasurer and Publications Manager.

The Association employed two senior managers during 2021 at a total cost (including pension contributions and employer's national insurance) of £178,083 (2020 - £177,486). This includes one Trustee (2020 - one Trustee) who received remuneration of £92,651 (2020 - £85,432) by virtue of his employment with the Charity. This payment is allowed by the Charity's articles of association.

During the year, 4 (2020 - 15) Trustees received reimbursement of expenses amounting to £738 (2020 - £3,341).

During the year, no other Trustees received remuneration or benefits in kind (2020 - £nil).

**11. FIXED ASSET INVESTMENTS**

	<b>Listed investments £</b>	<b>Cash held for investment £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>			
At 1 October 2020	6,994,441	128,156	7,122,597
Additions	1,599,720	-	1,599,720
Disposals (proceeds £1,756,736)	(1,637,953)	-	(1,637,953)
Revaluations	797,667	-	797,667
Cash movement	-	112,567	112,567
<b>AT 30 SEPTEMBER 2021</b>	<u>7,753,875</u>	<u>240,723</u>	<u>7,994,598</u>



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**11. FIXED ASSET INVESTMENTS (CONTINUED)**

All the fixed asset investments are held with investment managers in the UK.

**Valuation**

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, principally the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is, their investment value).

The Association holds two major portfolios, one minor portfolio, and a separate holding in a property investment fund. The minor portfolio comprises fixed interest investments and is intended as a low-risk portfolio providing income (in conjunction with the property fund) to underpin current charitable activity.

The major portfolios are intended to support long-term objectives and comprise a diverse range of investments. Although these include a strong equity component, that equity exposure is delivered through a variety of common investment funds, in order to improve risk-adjusted returns available for the risk profile of the portfolios. The portfolios have both equity and non-equity elements. The purpose of the non-equity quotient is to lower the volatility of the portfolios.

The Association does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term growth and income.

**12. DEBTORS**

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Other debtors	23,175	42,137
Prepayments and accrued income	99,367	83,494
	<u>122,542</u>	<u>125,631</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	13,116	9,268
Other taxation and social security	2,320	458
Deferred income	6,035	3,452
Other creditors	37,199	33,219
Accruals	1,605	307
Grants accrued - institutional	150,000	125,000

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**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)**

<b>2021</b>	<b>2020</b>
<b>£</b>	<b>£</b>
<b>210,275</b>	<b>171,704</b>

Deferred income relates to advanced subscriptions.

**. DEFERRED INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income b/f	<b>3,452</b>	5,089
Resources deferred during the year	<b>6,035</b>	3,452
Amounts released from previous periods	<b>(3,452)</b>	(5,089)
	<b>6,035</b>	3,452

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**14. PROVISIONS**

	<b>Pension provision £</b>
At 1 October 2020	<b>85,650</b>
Additions	<b>630</b>
Amounts used	<b>(3,926)</b>
Discounted adjustments	<b>6,255</b>
	<b>88,609</b>

Staff working for the Association have pensions with the Universities Superannuation scheme (USS). See note 21 for details about this scheme.

At the year end, the Association was party to a USS deficit recovery plan. Under the plan, the Association is obliged to pay deficit contributions amounting to 2% of total pensionable pay until September 2021. After this date, the rate increases to 6% until the agreement ends in March 2028.

As the Association has a present obligation to make these contributions, it has provided for the present value of the future deficit recovery payments expected to be defrayed.

To calculate the provision (and associated entries in the Statement of Financial Activities), the Association has used the British Universities Finance Group (BUFDG) model, which was developed by USS to enable members to estimate their liabilities under the USS deficit recovery plan.

The key assumptions used in the calculation are as follows:

**Discount rate:** 0.87% (2020: 0.73%)

**Annual salary inflation:** 2.5% (2020: 2.5%)

**Increase in headcount:** no increase over deficit recovery period (2020: same)

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2021 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
Investment fund	6,236,550	-	-	(156,676)	887,587	6,967,461
<b>GENERAL FUNDS</b>						
General Funds	1,437,647	652,433	(668,770)	156,676	28,863	1,606,849
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>7,674,197</b>	<b>652,433</b>	<b>(668,770)</b>	<b>-</b>	<b>916,450</b>	<b>8,574,310</b>

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**15. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2020 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
Investment fund	5,434,434	-	-	76,698	725,418	6,236,550
<b>GENERAL FUNDS</b>						
General Funds	1,650,043	619,738	(758,609)	(76,698)	3,173	1,437,647
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>7,084,477</b>	<b>619,738</b>	<b>(758,609)</b>	<b>-</b>	<b>728,591</b>	<b>7,674,197</b>

The General Fund represents the free funds of the Association that are not designated for particular purposes.

The Investment Fund represents the market value of certain investments held by the Association for the long-term to generate income and capital growth. The transfer between funds represents the increase or decrease in funds invested.

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**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Fixed asset investments	7,994,598	<b>7,994,598</b>
Current assets	878,596	<b>878,596</b>
Creditors due within one year	(210,275)	<b>(210,275)</b>
Provisions for liabilities and charges	(88,609)	<b>(88,609)</b>
<b>TOTAL</b>	<b>8,574,310</b>	<b>8,574,310</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Fixed asset investments	7,122,597	7,122,597
Current assets	808,954	808,954
Creditors due within one year	(171,704)	(171,704)
Provisions for liabilities and charges	(85,650)	(85,650)
<b>TOTAL</b>	<b>7,674,197</b>	<b>7,674,197</b>

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**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	900,111	589,720
<b>ADJUSTMENTS FOR:</b>		
Losses on investments	(916,450)	(728,591)
Dividends, interests and rents from investments	(84,437)	(68,489)
Decrease/(increase) in debtors	3,089	(35,079)
Increase/(decrease) in creditors	38,571	(11,527)
Movement on pension provision	2,959	36,360
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(56,155)</b>	<b>(217,606)</b>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash in hand	756,054	683,323
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>756,054</b>	<b>683,323</b>

**19. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 October 2020 £	Cash flows £	At 30 September 2021 £
Cash at bank and in hand	683,323	72,731	756,054
	<b>683,323</b>	<b>72,731</b>	<b>756,054</b>

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**20. PENSION COMMITMENTS (USS)**

The total cost charged to the profit and loss account is £41,423 (2020- £76,291).

Deficit recovery contributions due within one year for the Association amount to £3,926 (2020 - £3,951).

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2021 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

**Pension increases (CPI)**

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

**Discount rate (forward rates)**

Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73

Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21

Years 21 +: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

**Mortality base**

Pre retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.



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**20. PENSION COMMITMENTS (USS) (CONTINUED)**

Future improvements to mortality: CMI\_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	<b>2018 valuation</b>	<b>2017 valuation</b>
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%.

The 2021 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	<b>2021</b>	<b>2020</b>
Discount rate	0.87%	0.74%
Pensionable salary growth	2.5%	2.5%.

**21. RELATED PARTY TRANSACTIONS**

Except as disclosed in note 11, there were no related party transactions during the year, or prior year.

**22. POST BALANCE SHEET EVENT**

Since the year end, following the completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed in respect of the USS pension scheme. A new Schedule of Contributions based on the 2020 actuarial valuation has been agreed, and became effective, post year end. This results in an increase of £161,015 from the current provision of £88,609 for the obligation to fund the deficit on the USS pension which would instead be £249,624. As the Schedule of Contributions was not in place at the financial year end this adjustment will be reflected in the Financial Statements for the year ended 30 September 2022. If the Joint Negotiating Committee (JNC) recommended deed on benefit changes has not been executed by 28 February 2022 then a different schedule of contributions would become applicable. If this were to happen then there would be an increase of £314,407 in the provision for the obligation to fund the deficit on the USS pension which would instead be £403,016.