

Registered number: 03446016
Charity number: 1064670

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

CONTENTS

	Page
Reference and Administrative Details of the Association, its Committee Members and Advisers	1 - 3
Trustees' Report	4 - 10
Independent Auditors' Report on the Financial Statements	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 37

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 2022

Trustees

Dr B Burns, Company Secretary^{1,2,3}
 Professor D Connon, Chair^{1,2,3}
 Professor C Paver, Honorary Treasurer
 Professor B Bollig
 Professor G Bonsaver
 Dr G Colom-Montero
 Professor S Dixon
 Professor S Evangelista
 Professor F Finlay
 Professor S Gilson³
 Professor A Hadfield²
 Professor A Hiscock
 Dr D Holmes
 Dr A Lewis¹
 Professor J Long
 Professor M Maguire
 Professor P De Medeiros
 Dr C Moran
 Dr L O'Meara
 Dr S Rodway
 Professor D Wheeler²
 Mr J Wong
 Dr J Goodman (appointed 15 June 2022)
 Professor W Ouyang (resigned 15 April 2022)
 Professor S Harrow (resigned 14 May 2022)
 Professor K Astbury (resigned 10 November 2022)

¹ Member of Conference Grants subcommittee

² Member of Research Associateships subcommittee

³ Member of Research Scholarships subcommittee

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 E Di Dodo, Ms A Prelec

Company registered number

03446016

Charity registered number

1064670

Registered office

Salisbury House
 Station Road
 Cambridge
 CB1 2LA

Company Secretary

Dr B Burns

Honorary Treasurer

Professor C Paver

Associate Treasurer

Mr J Wong

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS COMMITTEE MEMBERS AND
ADVISERS (CONTINUED)**
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Independent auditors	Peters Elworthy & Moore Chartered Accountants Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA
Bankers	Lloyds Bank Plc 3 Sidney Street Cambridge CB2 3HQ
Solicitors	Trowers & Hamlins LLP 3 Bunhill Row Southernhay Gardens London EC1Y 8YZ Keystone Law 48 Chancery Lane Holborn London WC2A 1JF Stone King LLP 3rd Floor Bateman House 82-88 Hills Road Cambridge CB2 1LQ
Investment managers	Brewin Dolphin Securities Limited 12 Smithfield Street London EC1A 9LA Evelyn Partners 45 Gresham Street London EC2V 7BG CCLA Investment Management Limited One Angel Lane London EC4R 3AB
Managing Editor	Mr G Nelson

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS COMMITTEE MEMBERS AND
ADVISERS (CONTINUED)**
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Printers, publishers and agents	Lightning Source Chapter House Pitfield Kiln Farm Milton Keynes MK11 3LW
	CPI Books 108-110 Beddington Lane Croydon CR0 4YY
	Turpin Distribution Stratton Business Park Pegasus Drive Biggleswade SG18 8TQ
	JSTOR 1 Liberty Plaza 165 Broadway 5th Floor New York NY10006 USA
	Project MUSE 2715 North Charles Street Baltimore Maryland 21218 USA
Senior Publishing Manager	Mr G M Lowe

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Association for the year ended 30 September 2022. 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

Company Secretary's Review of the activities of the Association for the period 1 October 2021 to 30 September 2022

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

In February 2022, the Association implemented its plan to revise its membership structure. Having considered possible steps to encourage more colleagues to take up membership of the Association, the Committee recognised that the constitutional requirement for all members to agree to become guarantors of the limited company and the administrative overhead associated with this could be a deterrent. It was therefore proposed that the membership structure be amended to remove that requirement. Members were notified of the proposal in December 2021, and an announcement was also posted on the website. No queries or objections having been received, and all feedback having been positive, the Officers were confident that this step would modernise and simplify the Association's structures. Trustees voted unanimously at the Committee meeting on 12 February 2022 to pass a written resolution to change the current classes of membership of the company, and to adopt the proposed wording for the revised Articles of Association which had been prepared by the Association's charity lawyer. This decision leaves only the Trustees as the guarantors of the company entitled to vote at general meetings. The broader membership continues to benefit from access to discounts on print and electronic journal subscription, as well as from participation in a prestigious scholarly organisation that unites and seeks to promote the work of researchers across the modern languages, including English. The resolution, together with the revised Articles, were subsequently approved by Companies House and the Charity Commission. A further result of this change is that a separate AGM is longer required. Items of business such as electing new trustees, noting retirements, receiving the accounts, appointing auditors etc. are therefore from 2022 onwards being covered as a separate agenda item at the end of the May meeting each year.

At the Committee meeting held on 14 May 2022, the Officers for the forthcoming year were confirmed as Professor Derek Cannon (Chair), Dr Barbara Burns (Company Secretary), and Professor Chloe Paver (Honorary Treasurer). The Trustees recorded their appreciation for the contribution of two *Legenda* editors, Professors Harrow and Ouyang, who were retiring from the Committee, while remaining as Chairs of the Editorial Boards of their respective *Legenda* series. In the course of the year Dr Jessica Goodman was welcomed back to the Committee in her new role as Chair and French Editor of the *Critical Texts* series, and Ms Emily Di Dodo joined as second Postgraduate Editor of *MHRA Working Papers in the Humanities*.

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Association's scholarly journals remain in good health and continue to publish high-quality articles across our range of disciplines. Thanks are due to our editors and employees for their good will and commitment in a pressurised academic environment. The *Modern Language Review*, Vol. 117, 739 pp., contains 24 articles and a very substantial reviews section. This year sees the centenary of the *Slavonic and East European Review*. Vol. 100 contains 20 articles, including a significant piece marking this special anniversary, and a large book reviews section. Vol. 95 of *The Annual Bibliography of English Language and Literature* (report year 2020), xxvi + 1089 pp., contains 17367 entries. *The Yearbook of English Studies*, Vol. 52, edited by Joshua Davies and Clare Lees, on the theme 'Pre-Conquest Literature', is due for publication in the autumn. *Portuguese Studies*, Vol. 38, no. 1, 121 pp., contains six articles and a reviews section, and Vol. 38, no. 2, an issue featuring the work of early-career scholars, is scheduled to appear by the end of the year. Vol. 29 of *Austrian Studies*, 212 pp., edited by Heide Kunzelmann and Lyn Marven, contains eight essays on the theme 'Uncanny Valleys: Austrian Literature and Film in the New Millennium', as well as an introduction and reviews section. Vol. 16 of the electronic open-access journal *MHRA Working Papers in the Humanities*, edited by the postgraduate representatives Hayley O'Kell and Alma Prelec, contains articles on the theme 'Desire', spanning a broad range of European languages. As in previous years, this volume showcases what are often the first published articles of promising postgraduate researchers, a vital step on the road to future academic careers. The benefits of this journal are extended each year also to the two postgraduate editors who receive mentoring in the process of designing a call for papers, evaluating proposals, editing articles and seeing the volume through to publication.

The Association's transition at the start of 2022 from JSTOR to Project MUSE for journal hosting has proceeded smoothly. This respected online database enables us to enhance the impact of our journal content by disseminating work electronically to a broad range of library users.

For *Legenda*, 33 new titles were published in hardback, including *Legenda's* 500th, and taking the imprint to 511 in all. During the report period a team of 108 editors produced 7666 finished pages, presenting the work of 175 authors. The year began and ended with major titles: *Dante Beyond Borders*, a substantial collaboration with the Dante Society of America, the Deutsche Dante-Gesellschaft and the Oxford Dante Society to mark the 700th anniversary of Dante's death, and *After Clarice*, an impressive volume on Clarice Lispector's presence in 21st-century world literature. A wide range of other figures also featured, from Hamlet to Pinocchio, with genres ranging from Leningrad samizdat to Mexican revolutionary murals. Two *Legenda* authors won major international prizes during this period: Joanna Raisbeck for her work on the Romantic author Karoline von Günderrode, and Anna Kathryn Kendrick for *Humanizing Childhood in Early Twentieth-Century Spain*, which won the Modern Language Association's Kovacs prize as the best book of its year in the entire field of Hispanic studies. *Humanizing Childhood* was one of 12 student-priced paperbacks released this year as part of the MHRA's mission to make important new scholarship widely available.

The 'MHRA Critical Texts' series saw a gradual return this year to normal output following the difficult pandemic period when some projects were delayed. There were three publications: *La Découverte de l'île Frivole* by Gabriel-François Coyer, a bilingual edition by Jean-Alexandre Perras (Vol. 76), *The Pen and the Needle: Rousseau & the Enlightenment Debate on Women's Education*, edited by Joanna M. Barker (Vol. 80), and the revised edition of Vol. 64, *Francisco Nieva: 'Coronada y el toro'*, edited by Komla Aggor, and 16 others are under contract. Two new volumes were published in the 'Jewelled Tortoise' subseries, dedicated to aesthetic and decadent literature of the British and European *fin de siècle*: *Mathilde Blind: Selected Fin-de-Siècle Poetry and Prose*, edited by James Diedrick (Vol. 6), and Michael Field, *'For That Moment Only' and Other Prose Works*, edited by Alex Murray and Sarah Parker (Vol. 8). Five further volumes are under contract. Reviews of books in this series have continued to highlight the public-benefit aspect of these publications which are modestly priced and useful to students, scholars and more general readers alike. Some titles addressing topics currently in the public eye have a particular impact, attracting attention beyond our normal disciplinary focus. For example, a review in 2022 of the recently published Vol. 68, *Life and Death on the Plantations: Selected Jesuit Letters from the Caribbean*, edited by Michael Harrigan, states: 'This book should be in the library of every university and college in which the history of slavery is taught.'

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

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 324 copies in the last year. In 2022 a subcommittee has been working on producing a new edition which is due to appear in 2023.

Work on the 'MHRA Translations' series proceeds steadily. The 'MHRA Tudor and Stuart Translations' series did not see any publications during the report year, but several volumes are on schedule to appear very soon, and there is a busy slate of 17 forthcoming titles. The Association is delighted that Alessandra Petrini's edition of Petrarch was awarded the Associazione Italiana di Anglistica senior prize for English Literature in 2021. There have been two new publications in the 'MHRA New Translations' series: *Ramón María del Valle Inclán, 'Savage Comedies'*, translated by Christopher Colbath and Luis M. González (Vol. 15), and *Hugo von Hofmannsthal, 'The Incorruptible Servant'*, translated by Alexander Stillmark (Vol. 17), and four further volumes are under contract. There have been no new publications in the 'MHRA European Translations' series, but one new volume is under contract. Finally, volumes in the Association's 'Library of Medieval Welsh Literature' series continue to sell well, meeting the need for high-quality student editions used on university courses where Middle Welsh is taught through the medium of English. Although no new texts have appeared this year, two volumes are forthcoming.

The Association continues to disburse grants in support of high-quality applications for research in our disciplines. Two Research Associateships were awarded this year: Dr Rosie Whitcombe was appointed to work with Professor Angela Wright at the University of Sheffield on the 'Cambridge Complete Works of Ann Radcliffe', and Dr Rita Dashwood was appointed to work with Professor Mark Towsey at the University of Liverpool on 'Libraries, Reading Communities and Cultural Formation in the Eighteenth-Century Atlantic'. This year the Association again received very positive post-award reports. One mentor wrote that the Research Associate had been 'immensely important to its [the edition's] quality and timely completion' and that his contributions had been 'of serious consequence, going well beyond the tasks outlined in the job description'. Another was impressed by the Research Associate's initiatives on impact work. The Committee also received expressions of thanks from the grant holders themselves, whose professional development has benefitted from these one-year positions. The evidence therefore suggests that this MHRA funding is addressing a real need in the academic community and adding value both on an individual career-development level and in terms of facilitating high-quality publications.

The Association also 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 one-year postdoctoral scholarships. In 2022, four Scholarships were awarded to be held in the academic year 2022–23, as follows: Dr Erica Bellia, working on Italian industrial writing and anti-colonial discourse from 1955 to 1965 at the University of Cambridge; Dr Stefano Serafini, working on Italian Gothic writing between 1861 and 1914 at the University of Warwick; Dr Tatiana Vargas Ortiz, working on 'errancia' in post-1960s Latin American literature at the University of Cambridge; and Dr Rebecca Walker, working on Italian women writers at the University of St Andrews. Feedback from last year's award holders confirmed the benefit of these Scholarships to individuals trying to become established within the profession, and highlighted the advantages of a year's part-time funding which enabled the respective early-career academics not only to revise their thesis for publication as a book, but to benefit from mentorship, teaching opportunities and training courses at their host institution.

Finally, the last two years have seen a reduction in the number of applications for Conference Grants, most likely due to the sustained popularity of relatively inexpensive and accessible online events following the COVID pandemic. The quality of proposals, however, remained good, and awards of up to £1,500 each were made to the following three applicants: Professor Gillian Russell (University of York), 'Science, Gender and Sociability in a Northern City c. 1775–1820'; Dr Hannah Scott (Newcastle University), 'Song in French Literature'; Dr Simon Park (University of Oxford), 'What does Literature Do? Rencontres autour de Alain Viala'.

The Association's Communications Officer, Dr Guillem Colom-Montero, has invested further work this year in building the MHRA's national and international social media profile. The breadth of the Association's community of Twitter followers has increased, and our authors, as well as other learned societies, publishers and university

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

departments now regularly engage with us to publicise work and announce book launches and other events. A new feature for our news blog and Twitter account this year has been a series of printed interviews conducted by the Company Secretary with recently published MHRA authors and current grant holders. This activity has increased our visibility and impact in the wider community, as well as giving our authors and scholars the opportunity to showcase their work online.

The Association continues to implement a focused approach to legal compliance, risk management and strategic planning. 2022 saw 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. Updates on and strategic discussion of selected points from the Risk Register now form part of every Committee meeting agenda. Our policies conforming to GDPR legislation are being followed, and letters were sent in the autumn 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. All replies confirming compliance with procedures are logged, and a 100% return was achieved last year. 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 Languages, Cultures and Societies, the Alliance of Modern Languages, Area Studies and Linguistics Subject Associations UK (AMLUK) and similar bodies, and responds to requests for consultation and information. The Association's editors also engage with external audiences across the country for the purposes of training and encouraging early-career academics. For example, in May 2022 the General Editor and Slavonic Editor of the Modern Language Review participated in an online event organised by the British Comparative Literature Association, entitled 'Submitting comparative articles to academic journals', which was attended by over 50 doctoral students and early-career scholars. Such events are invaluable for reaching out to colleagues embarking on an academic career, demystifying the publishing process and promoting awareness of the ways in which the MHRA can help support researchers across its range of disciplines.

Plans for the future

The Association's objectives for 2022–23 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. The Association plans in 2023 to release a revised edition of its highly popular *MHRA Style Guide*, an academic resource widely used by both university students and scholars. The Conference Fund will offer up to four bursaries to successful candidates. Following a review of the number of grants and the amount of funding offered under the Research Associateship and Research Scholarship schemes, for 2023 the value of both grants will be increased by 10% in view of inflation. The Research Associateship scheme for 2023 will provide up to two Associateships for projects of the highest academic calibre, and applications will be invited for up to five Research Scholarships, this increase in number reflecting the importance of early-career support to those entering the profession. 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. Finally, having trialled last year a mix of in-person and online meetings, the Committee has decided to continue with this mode of working which contributes to environmental sustainability by reducing somewhat the need for Committee members to travel to London, while retaining the advantages of occasional face-to-face interaction.

Barbara Burns
Company Secretary, Modern Humanities Research Association

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Policy Statement and Report by the Honorary Treasurer, Modern Humanities Research Association, 2021-22

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. A risk register, regularly reviewed and updated, informs the Trustees' policy discussions and decision-making and provides a framework within which mitigations and counteraction can be developed. Risks recently discussed include: the Association's continuing commercial vulnerability to trading difficulties experienced by subscription agents; resilience issues, particularly in relation to editorial management and the availability of contributions; and the implications of policy developments in the field of open access publishing.

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.

Honorary Treasurer's Report on the financial activities and standing of the Association during the period 1 October 2021 to 30 September 2022

The Association has successfully continued to maintain its publication and grant-giving activities at its customary level. A strong balance sheet continues to provide the necessary underpinning to allow the Trustees to undertake publishing projects for which payback could not be envisaged within normal commercial timescales and to weather adverse economic conditions, such as were experienced in the year of report.

Publications:

Overall the Publications Account returned a surplus of £94,614, a 46% decrease on the outcome for 2021 (£176,301) in difficult trading conditions, owing much to global economic contraction, inflationary pressure in the UK, and further declines in academic library budgets.

Periodicals:

Reduced surpluses were yielded by *Modern Language Review* (£141,929 (2021: £144,621)), *Slavonic and East European Review* (£33,467 (2021: £47,319)), *Yearbook of English Studies* (£29,596 (2021: £32,354)) and *Austrian Studies* (£1,542 (2021: £4,621)). Net returns from *Annual Bibliography of English Language and Literature* declined to £22,570 (2021: £36,821). *Portuguese Studies* realised a deficit of £1,565 (2021: £734).

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

MHRA books:

As previously, the financial outcomes of the Association's book series varied according to the degree of publishing activity (and hence the costs attributable to new publications) in the year of report and the contributions made by revenue from back-sales. The costs associated with an increase in titles brought to press, together with declining receipts from back-sale royalties, resulted in an increased deficit for *Legenda* (£36,826 (2021: £9,182)). *Jewelled Tortoise* returned a deficit of £2,809 (2021: £561) and the surplus on *Critical Texts* reduced to £528 (2021: £2,350). By contrast, the *Library of Medieval Welsh Literature* yielded £1,361 (2021: deficit of £121) and the *Translations* series £102 (2021: deficit of £1,830). Net contributions continued to be received from discontinued book series: *Texts and Dissertations* £528 (£778) and *Publications of the MHRA* £53 (2021: £22). The *Style Guide* realised an improved surplus from print sales (£1,814 (2021: £1,298)).

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 3 Conference Fund grants, 2 Research Associateships and 3 Research Scholarships in Modern European Languages to take effect in 2022-23.

Membership:

Income from membership subscriptions realised £973 in 2022 (2021: £1,090). While membership therefore plays little part in the Association's finances, it is, as the Company Secretary's report makes clear, of considerable significance for the Association's ethos and for its role in the scholarly community.

Investments and accounts:

Book valuation of the total accumulated funds at 30 September 2022 stood at £7,103,107 (2021: £8,574,310) a sharp downward revaluation largely attributable to investment losses but also including an increased pension provision for 2021-22. The total valuation of investments at the same date was £6,738,107 (2021: £7,994,598).

At 30 September 2022, free reserves (the General Fund) were valued at £1,369,148 (2021: £1,606,850). Annual expenditure in 2021-22 amounted to £824,018. Although £107,365 (an increase in pension provision) may be regarded as an exceptional item, the remaining £716,653, if doubled, would exceed the cover provided by free reserves. The Trustees will consider a release of capital from the designated Investment Fund to ensure that reserve levels remain in line with the Association's current policy.

Conclusion:

The 2022 deficit (net of the results of investment disposals) of £194,686 (2021: £16,337; 2020: £138,871) comprises the exceptional item mentioned above and an underlying operational deficit of £87,321. Internal income and expenditure budgets for the year of report forecasted an income and expenditure deficit of £147,216. Seen in this context, the outcome of the Association's trading activities in 2022 exceeded forecasts.

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.

THE MODERN HUMANITIES RESEARCH ASSOCIATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 C Paver
Honorary Treasurer
Date: 2 March 2023

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

OPINION

We have audited the financial statements of The Modern Humanities Research Association (the 'association') for the year ended 30 September 2022 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 2022 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.

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

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

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.

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

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

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

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.

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

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

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

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:

- 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. 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

2 March 2023

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 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:				
Charitable activities	4	546,583	546,583	567,996
Investments	5	82,749	82,749	84,437
TOTAL INCOME		629,332	629,332	652,433
EXPENDITURE ON:				
Raising funds	6	44,774	44,774	50,010
Charitable activities	7	779,244	779,244	618,760
TOTAL EXPENDITURE		824,018	824,018	668,770
NET EXPENDITURE BEFORE NET (LOSSES)/GAINS ON INVESTMENTS				
		(194,686)	(194,686)	(16,337)
Net (losses)/gains on investments		(1,217,641)	(1,217,641)	916,450
NET MOVEMENT IN FUNDS		(1,412,327)	(1,412,327)	900,113
RECONCILIATION OF FUNDS:				
Total funds brought forward	16	8,574,310	8,574,310	7,674,197
Net movement in funds	16	(1,412,327)	(1,412,327)	900,113
TOTAL FUNDS CARRIED FORWARD		7,161,983	7,161,983	8,574,310

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

The notes on pages 18 to 37 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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	11	1,849	-
Investments	12	6,738,107	7,994,598
		<u>6,739,956</u>	<u>7,994,598</u>
CURRENT ASSETS			
Debtors	13	113,903	122,542
Cash at bank and in hand		709,977	756,054
		<u>823,880</u>	<u>878,596</u>
Creditors: amounts falling due within one year	14	(216,854)	(210,275)
		<u>607,026</u>	<u>668,321</u>
NET CURRENT ASSETS			668,321
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,346,982</u>	<u>8,662,919</u>
Provisions for liabilities	15	(184,999)	(88,609)
TOTAL NET ASSETS		<u><u>7,161,983</u></u>	<u><u>8,574,310</u></u>
CHARITY FUNDS			
Unrestricted funds	16	7,161,983	8,574,310
TOTAL FUNDS		<u><u>7,161,983</u></u>	<u><u>8,574,310</u></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 02 March 2023 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 18 to 37 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 2022

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	18	(164,903)	(56,155)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		82,749	84,437
Net cash transferred from investment portfolio		38,850	44,449
Purchase of tangible fixed assets		(2,773)	-
NET CASH PROVIDED BY INVESTING ACTIVITIES		118,826	128,886
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(46,077)	72,731
Cash and cash equivalents at the beginning of the year		756,054	683,323
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19	709,977	756,054

The notes on pages 18 to 37 form part of these financial statements

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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) (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 2023-24, 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 2024 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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.

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 GBP.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

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.

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 2022**

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

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Membership	973	973	1,090
Publication sales	545,610	545,610	566,906
	<u>546,583</u>	<u>546,583</u>	<u>567,996</u>
TOTAL 2021	<u>567,996</u>	<u>567,996</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Listed investments income	80,646	80,646	84,378
Bank interest	2,103	2,103	59
	<u>82,749</u>	<u>82,749</u>	<u>84,437</u>
TOTAL 2021	<u>84,437</u>	<u>84,437</u>	

6. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Portfolio management charges	44,774	44,774	50,010
TOTAL 2021	<u>50,010</u>	<u>50,010</u>	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	410,598	172,044	196,602	779,244	618,760
TOTAL 2021	<u>287,829</u>	<u>256,392</u>	<u>74,539</u>	<u>618,760</u>	

All expenditure incurred was unrestricted in 2022 and 2021.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	209,015	209,015	211,609
Publication expenditure	165,810	165,810	45,668
Stationery, postage, telephone, equipment	1,836	1,836	1,328
Bank charges	204	204	312
Miscellaneous expenses	3,483	3,483	2,752
Electronic publishing	30,240	30,240	25,529
Exchange gains/(losses)	10	10	1
Pension interest cost	-	-	630
	<u>410,598</u>	<u>410,598</u>	<u>287,829</u>
	<u>287,829</u>	<u>287,829</u>	
TOTAL 2021			

ANALYSIS OF SUPPORT COSTS

	Governance costs 2022 £	Support staff 2022 £	Total funds 2022 £	Total funds 2021 £
Supporting administration services	4,981	-	4,981	13,905
Auditors' fees - Audit	9,450	-	9,450	8,585
Auditors' fees - Other services	5,020	-	5,020	5,749
Travel expenses	4,552	-	4,552	737
Wages and salaries	76,209	96,390	172,599	45,563
	<u>100,212</u>	<u>96,390</u>	<u>196,602</u>	<u>74,539</u>
	<u>73,388</u>	<u>1,151</u>	<u>74,539</u>	
TOTAL 2021				

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. GRANT COSTS

Institutional grants are detailed below:

	2022 £	2021 £
Research Associateships	43,349	71,306
Editorial Expenditure	73,990	70,676
Research Scholarships	50,000	37,500
Publications and Conferences	4,705	2,920
	172,044	182,402

Associateships

Associateships are awarded annually to institutions for research projects.

	2022 £	2021 £
Anglia Ruskin University	-	25,000
Keele University	(6,651)	-
Leeds University	-	(3,694)
Queen Mary, University of London (Chaucer)	-	25,000
Queen Mary, University of London (Godwin)	-	25,000
University of Liverpool	25,000	-
University of Sheffield	25,000	-
	43,349	71,306

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Editorial expenditure

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

School of Slavonic and East European Studies (Slavonic and East European Review)	66,482	61,335
University of Bangor (Modern Language Review and Yearbook of English Studies)	5,627	7,132
University of Oxford (Austrian and Portuguese Studies)	1,881	2,209
	<hr/> 73,990 <hr/>	<hr/> 70,676 <hr/>

Research scholarships

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

	2022 £	2021 £
University of Cambridge (E. Bellia)	12,500	-
University of Warwick (S. Serafini)	12,500	-
University of Cambridge (T. Vargas Ortiz)	12,500	-
University of St Andrews (R. Walker)	12,500	-
University of Newcastle (A. Brown)	-	12,500
University of Nottingham (M. Biasioli)	-	12,500
University of Warwick (S. Boezio)	-	12,500
	<hr/> 50,000 <hr/>	<hr/> 37,500 <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Conferences

Non-repayable support for conferences.

	2022 £	2021 £
Durham University (Elena Ferrante in a Global Context)	-	1,500
Leeds University (From Digital to Analogue: Film Criticism in the Spanish- and Portuguese-speaking World)	-	1,420
University of Leicester (The Future of WWII France in Academia)	1,500	-
University of Oxford (The Heritage of Humanism and Enlightenment in Exile Literature)	1,165	-
University of Oxford (Editions, Translations, transmissions: 'That Awful Mess' of Carlo Emilio Gadda)	1,500	-
University of Oxford (What does Literature do? : Rencontres autour de Alain Viala)	540	-
	4,705	2,920

9. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Association's auditor for the audit of the Association's annual accounts	9,450	8,585
Fees payable to the Association's auditor in respect of:		
All non-audit services not included above	5,020	5,749

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	214,547	196,394
Social security costs	25,044	17,026
Contribution to defined contribution pension schemes	142,023	43,752
	381,614	257,172

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

10. STAFF COSTS (CONTINUED)

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

	2022 No.	2021 No.
Publications and related expenditure	3	4
Management and administration	3	2
	<u>6</u>	<u>6</u>

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	-

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

The total key management remuneration in 2022 (including pension contributions and employer's national insurance) was £181,837 (2021 - £178,083). This includes one Trustee (2021 - one Trustee) who received remuneration of £94,298 (2021 - £92,651) by virtue of his employment with the Charity. This payment is allowed by the Charity's articles of association.

During the year, 15 (2021 - 4) Trustees received reimbursement of expenses amounting to £4,551 (2021 - £738).

During the year, no other Trustees received remuneration or benefits in kind (2021 - £nil).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. TANGIBLE FIXED ASSETS

	Office equipment £
COST OR VALUATION	
At 1 October 2021	2,220
Additions	2,773
	<hr/>
At 30 September 2022	4,993
	<hr/>
DEPRECIATION	
At 1 October 2021	2,220
Charge for the year	924
	<hr/>
At 30 September 2022	3,144
	<hr/>
NET BOOK VALUE	
	<hr/>
At 30 September 2022	1,849
	<hr/> <hr/>
At 30 September 2021	-
	<hr/> <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

12. FIXED ASSET INVESTMENTS

	Listed investments £	Cash held for investment £	Total £
COST OR VALUATION			
At 1 October 2021	7,753,875	240,723	7,994,598
Additions	1,857,410	-	1,857,410
Disposals (proceeds £1,897,205)	(2,177,457)	-	(2,177,457)
Revaluations	(940,565)	-	(940,565)
Cash movement	-	4,121	4,121
AT 30 SEPTEMBER 2022	6,493,263	244,844	6,738,107

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

13. DEBTORS

	2022 £	2021 £
Trade debtors	2,347	-
Other debtors	14,836	23,175
Prepayments and accrued income	96,720	99,367
	<u>113,903</u>	<u>122,542</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	57,557	13,116
Other taxation and social security	-	2,320
Other creditors	50,992	37,199
Accruals and deferred income	8,305	7,640
Grants accrued - institutional	100,000	150,000
	<u>216,854</u>	<u>210,275</u>

Deferred income relates to advanced subscriptions.

DEFERRED INCOME

	2022 £	2021 £
Deferred income brought forward	6,035	3,452
Resources deferred during the year	7,292	6,035
Amounts released from previous periods	(6,035)	(3,452)
	<u>7,292</u>	<u>6,035</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

15. PROVISIONS

	Pension provision £
At 1 October 2021	88,609
Additions	771
Amounts used	(11,746)
Discounted adjustments	107,365
	<hr/> 184,999 <hr/>

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 6.2% of total pensionable pay until March 2024. After this date, the rate increases to 6.3% until the agreement ends in March 2038.

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: 3.33% (2021: 0.87%)

Annual salary inflation: 5% for year 1 & 2, 2.5% thereafter (2021: 2.5%)

Increase in headcount: no increase over deficit recovery period (2021: same)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Investment fund	6,967,460	-	-	(15,242)	(1,159,383)	5,792,835
GENERAL FUNDS						
General funds	1,606,850	629,332	(824,018)	15,242	(58,258)	1,369,148
TOTAL UNRESTRICTED FUNDS	8,574,310	629,332	(824,018)	-	(1,217,641)	7,161,983

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

16. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,849	1,849
Fixed asset investments	6,738,107	6,738,107
Current assets	823,880	823,880
Creditors due within one year	(216,854)	(216,854)
Provisions for liabilities and charges	(184,999)	(184,999)
TOTAL	7,161,983	7,161,983

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

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

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,412,327)	900,113
ADJUSTMENTS FOR:		
Depreciation charges	924	-
Gains/(losses) on investments	1,217,641	(916,450)
Dividends and interests from investments	(82,749)	(84,437)
Decrease in debtors	8,639	3,089
Increase in creditors	6,579	38,571
Movement on pension provision	96,390	2,959
NET CASH USED IN OPERATING ACTIVITIES	(164,903)	(56,155)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	709,977	756,054
TOTAL CASH AND CASH EQUIVALENTS	709,977	756,054

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 October 2021 £	Cash flows £	At 30 September 2022 £
Cash at bank and in hand	756,054	(46,077)	709,977
	<u>756,054</u>	<u>(46,077)</u>	<u>709,977</u>

21. PENSION COMMITMENTS

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a charge of £142,023 (2021: charge of £41,423).

Deficit recovery contributions due within one year for the institutions are £11,746 (2021: £3,926).

The latest available complete actuarial valuation of the Retirement Income Builder (defined benefit) section of the Scheme is as at 31 March 2020 ('the valuation date'), which was carried out using the projected unit method.

Since the Company cannot identify its share of Retirement Income Builder assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the Scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £66.5 billion and the value of the Scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles available on the USS website.

CPI assumption Term dependant rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040

Pension increases
(subject to a floor
of 0%) CPI assumption plus 0.05%

Discount rate
(forward rates) Fixed interest gilt yield curve plus:
Pre-retirement: 2.75% p.a.
Post retirement: 1.00% p.a.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

21. PENSION COMMITMENTS (CONTINUED)

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

2020 valuation

Mortality base table 101% of S2PMA 'light' for males and 95% of S3PFA for females

Future

improvements to

mortality

CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies (in years) on retirement at age 65 are:

	2022	2021
Males currently aged 65	23.9	24.6
Females currently aged 65	25.5	26.1
Males currently aged 45	25.9	26.6
Females currently aged 45	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

The provision figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.33%	0.87%
Pensionable salary growth – year 1-2	5.00%	2.50%
Pensionable salary growth – year 3-16	2.50%	2.50%

22. RELATED PARTY TRANSACTIONS

Except as disclosed in Note 10, there were no related party transactions during the year, or prior year.