

THE JOSEPH & ELIZABETH HODGSON TRUST FUND
ACCOUNTS FOR THE YEAR ENDED 5th APRIL 2017
TRUSTEES' REPORT

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 5th April 2017, which have been prepared in accordance with Part VI of the Charities Act 2011 and regulations made thereunder, together with the Charity Commission Statement of Recommended Practice 2005 on Accounting for Charities (The SORP).

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Under charity law, the Trustees shall prepare financial statements for each calendar year which show a true and fair view of the structure, aims, objectives, activities and performance of the Charity. In preparing those financial statements, generally accepted accounting practice entails that the Trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are required to act in accordance with the trust deed and the rules of the charity within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time with reasonable accuracy, the financial position of the charity at that time and enable the trustees to ensure that where any statements of accounts are prepared by them under Section 130 of the Charities Act 2011, those statements comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Legal and Administrative Matters

(A)	Name of Charity	The Joseph & Elizabeth Hodgson Trust Fund
(B)	Charity Number	1108192
(C)	Governing Instrument	Declaration of Trust dated 15 th February 2005 establishing an unincorporated Charitable Trust

THE JOSEPH & ELIZABETH HODGSON TRUST FUND
ACCOUNTS FOR THE YEAR ENDED 5th APRIL 2017
TRUSTEES' REPORT (continued)

Legal and Administrative Matters (continued)

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| (D) | Trustees: | Mr M G Brabner
Mr L Holden
Mr T A F Leary |
| (E) | Principal Office of the Charity: | Horton House
Exchange Flags
Liverpool
L2 3YL |
| (F) | Bankers: | Barclays Bank plc
Liverpool City Business Centre
48b-50 Lord Street
Liverpool L2 1TD |
| (G) | Investment Advisors: | Investec Wealth & Investment Limited
The Plaza 100 Old Hall Street
Liverpool L3 9AB |
| (H) | Solicitors: | Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL |
| (I) | Independent Examiner: | Mrs L E Allison
Ganuchau
Caubon St Sauveur
41720 Duras
France |

Structure, Governance and Management

The Declaration of Trust established a general charitable trust. The Trustees do not themselves engage in charitable activities other than the making of charitable donations and monitor and evaluate the outcomes and impact of those donations. The Trust was established by deed in February 2005 and given charitable status shortly thereafter. Investments were transferred to the Trustees from the Executors of the late Mrs E Hodgson in the year to 5th April 2006. By her Will Mrs Hodgson had stated her residuary estate should be held upon trust “for such charitable object or objects or for such charitable purpose or purposes anywhere in the world as my Trustees in their absolute discretion select”. Mrs Hodgson went on to express the wish that her Trustees should exercise that discretion “to advance the education and training (provided that it shall fall within the meaning of charitable) of law students, trainee solicitors and solicitors or other persons connected with or involved with the solicitors profession or living within or working within or

working for the benefit of or otherwise having a significant connection (to the satisfaction of my Trustees) with the County of Merseyside”

The objects of the Trust are set out in Clause 2 of the Settlement Deed which provides that the Trustees are to apply the income with a power to apply capital for such charitable object or objects or such charitable purpose or purposes according to the laws of England and Wales as the Trustees shall in their absolute discretion select.

Objectives and Activities of the Charity

The Trustees have set up a scheme of Hodgson Law Scholars to be selected through a Selection Committee composed of academic lawyers working within the Law Schools of the University of Liverpool and Liverpool John Moores University. The Committee chooses Hodgson Law Scholars each year from applicants from Colleges and Universities worldwide although the Trustees have decided that normally, applications from students in EU countries should be excluded. The scholars attend either the Law School of the University of Liverpool or the Law School of Liverpool John Moores University and pursue a postgraduate degree in law.

The Trustees wish Hodgson Law Scholars to benefit from education in Liverpool with a view to encouraging the intellectual growth of promising Law Students and nurturing close links with Liverpool City region.

During the years 2007 to 2011 a total of ten Scholars were funded, two Scholars each year and experience was gained in operating the Scholarships. During these years it became recognised that the benefits to both the Scholars and the City of having post-graduate students of high calibre were manifold.

In 2012 the Trustees reviewed the operation of the scheme in the light of global competition for the highest calibre of students, the impact of the Scholarships and the need to enhance connections and relationships with the practising profession and decided to extend the scheme on a trial basis to PhD students, normally at the rate of one per year. PhD students are not limited to non-EU countries. The objective of the PhD scheme is to fund scholars who may achieve higher profile in law and have a more substantial connection with the City Region and enhance the profile of the University Law Schools. In the year to 5th April 2013, two PhD students were selected with a further PhD student selected in the year to 5th April 2014. In addition two LLM students were funded in each of those years. Sadly, neither of the 2013 PhD students managed to complete their PhDs.

The Trustees have paid due regard to the Charity Commission guidance on public benefit in making their grants for Scholarships. The Trust’s policy is to seek high calibre Scholars who may benefit from legal education in Liverpool with a view to encouraging their professional development and aspirations as well as intellectual growth and the nurturing of close links with the legal academic and professional community in the Liverpool City Region. It is a condition of a Scholar’s applications that they demonstrate their aspirations for their future careers – including the potential benefit of their continuing relationship with the Liverpool City Region after completion of their studies.

Since 2011 the Trust has funded a further 15 LLM scholars and 2 PhD scholars.

There have been scholars from countries including India, China, Columbia, Panama, Vietnam, the Maldives. Thailand, Bolivia, Bosnia, Russia, Malaysia, the USA, Uganda, Bangladesh,

Ukraine, Jordan, Zambia, The Netherlands, Mexico and Indonesia. A further part of the Trust's mission is to develop an active alumni programme to encourage Scholars to maintain their own network as part of a continuing benefit to the legal communities within the Liverpool City Region.

The strong links established with the Law Schools of both the University of Liverpool and Liverpool John Moores University have created a useful dialogue.

In addition the PhD student enrolled in December 2013 is strengthening ties between the University of Liverpool School of Law and legal practitioners in Liverpool and elsewhere and is actively collaborating with them. The awareness of the scholar's research amongst the legal profession indicates that the scholarship is fulfilling its objective of promoting ties between the Law School and the legal profession and is having a positive impact on both the Law School and the legal community in the city.

A website and social media are being used to enhance the benefits being gained from the Scholarships and to help interested applicants. The aim of enhancing the Scholars visibility is being achieved with prospective applicants using social media channels for information about the Hodgson Scholarships. The social media channels also facilitate an ongoing dialogue between current and past Scholars as a distinct group and encourage the Scholars to share their experiences and achievements.

Achievements and Performance

Review of the Activities of the Charity:

The progress of the early Scholars has been encouraging and the Trustees are anxious to ensure that the beneficial impacts of their work are maximised. Accordingly they now engage with the Law Schools at the University of Liverpool and Liverpool John Moores University with a view to identifying and evaluating the outcomes.

Evidence of impact and outcomes in the following categories has been sought: -

1. The life of the individual Scholar – intellectual growth, development, ambition and prospects.
2. The activities of the Hodgson Scholars collectively.
3. The benefit to the Law Schools and their reputations.
4. Academic development in the specialist fields the Scholars are working.
5. The contacts with the practising profession and any direct effects on public practice or policies.

The early results of these enquiries has revealed a positive and diverse range of beneficial outcomes, namely:

1. Individual Scholars are given the opportunity of an experience of special quality, providing a framework for enhancing the potential of their contribution to society.
2. The Law Schools are given access to a level of global talent and the benefits that brings to their work and reputations.
3. Liverpool and its legal profession are given a link to the academic and international communities.

The Trustees met the current scholars on 24th March 2017 to obtain feedback on their progress and to encourage support and engagement by them through social media.

The Trustees are also seeking feedback from previous scholars and have received feedback in particular from one of the very first scholars, Luz Helena Hanauer which has been especially encouraging.

Financial Review

Total incoming resources were £90,187 (£86,819 in the year to 5th April 2016) with £16,063 being used to generate such funds (£15,253 in the year to 5th April 2016). Donations totalling £87,517 have been made in the year (£109,109 in the year to 5th April 2016) and £6,530 has been paid in respect of governance (£6,520 in the year to 5th April 2016). There were gains on the sale of investments totalling £46,214 and unrealised gains on revaluation totalling £461,893 (unrealised losses of £125,771 in the year to 5th April 2016).

Investments:

The Trust's capital is all invested in quoted investments. The value of the Trust's portfolio at 5th April 2017 totalled £3,454,303 (£3,038,577 as at 5th April 2016). The Trustees have reviewed the portfolio regularly and are satisfied with its performance.

Reserves:

The Trustees consider their investments as expendable endowments, providing a relatively secure and predictable stream of income from which to make grants. The Trustees aim to distribute a large percentage of the income, net of expenses, in each financial year and therefore do not maintain income reserves as such. However, income levels are continually reviewed by the Trustees at their meetings to ensure that they have sufficient funds to meet their objectives.

Investment Policies:

As there are no specific restrictions on investment powers under the governing deed, the Trustees have full discretion over the investments. The Trustees have delegated their powers to Investec to manage the investments on a discretionary basis. In accordance with the Trustee Act 2000, as this duty has been delegated, the Trustees have in place a Policy Statement (see page 27). Also in accordance with the Trustee Act 2000, the Trustees review the policy regularly.

Assets have been acquired and disposed of in accordance with the powers available to the Trustees.

Plans for the Future

The Trustees are satisfied that their current policies are sufficient to meet their objectives and do not feel that these will be amended in the foreseeable future. They will continue to review the position and in particular to enhance the Scholarship experience in the light of their intended examination of the impact and outcomes as mentioned above.

Dated.....2017

Signed
Mr M G Brabner

Signed
Mr L Holden

Signed
Mr T A F Leary

