

**CHARITY REGISTRATION NUMBER: 1108192**

**The Joseph and Elizabeth Hodgson Trust Fund**  
**Unaudited Financial Statements**  
**5 April 2023**

## **The Joseph and Elizabeth Hodgson Trust Fund**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

---

<b>Trustees</b>	Mr M G Brabner Mr T A F Leary Mr R E S Gill
<b>Charity number</b>	1108192
<b>Principal Office</b>	Horton House Exchange Flags Liverpool L2 3YL
<b>Investment Advisers</b>	Investec Wealth & Investment The Plaza Old Hall Street Liverpool L3 9AB
<b>Solicitors</b>	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL
<b>Independent Examiner</b>	Giles Mattocks FCA Mattocks Grindley 18 Mulberry Avenue Widnes WA8 0WN

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Financial Statements**

**Year ended 5 April 2023**

---

	<b>Page</b>
Trustees' annual report	<b>1</b>
Independent examiner's report to the trustees	<b>5</b>
Statement of financial activities	<b>6</b>
Statement of financial position	<b>7</b>
Notes to the financial statements	<b>8</b>

---

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Trustees' Annual Report *(continued)***

### **Year ended 5 April 2023**

---

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2023.

#### **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 monitoring and evaluating the outcomes and impacts 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 5 April 2006. By her Will, Mrs Hodgson 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 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.

The Trustees meet three times a year to review investment performance, the progress of the Scholars and any other matters arising.

#### **Objectives and activities**

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 School of the University of Liverpool. The Committee chooses Hodgson Law Scholars each year from applicants from Colleges and Universities worldwide, though the Trustees have decided that normally applications from students in EU/UK countries should be excluded. Scholars attend the Law School of the University of Liverpool 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 the 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 Region of having post-graduate students of high calibre were manifold. The availability of the scholarships enables students of a very high quality to study at university in Liverpool in preference to other universities, to the benefit of the Law School and of the Liverpool City Region.

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/UK 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 School.

---

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Trustees' Annual Report *(continued)***

**Year ended 5 April 2023**

---

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 Scholars' 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 2007 the Trust has funded a total of 33 LLM scholars and 6 PhD scholars.

There have been scholars from India, China, Columbia, Panama, Vietnam, the Maldives, Thailand, Bolivia, Bosnia, Russia, Malaysia, the USA, Uganda, Bangladesh, Ukraine, Jordan, Zambia, Peru, Mexico, Indonesia, Brazil, Azerbaijan, Kenya, Mongolia, Zimbabwe, Macedonia, Pakistan, Nigeria, Albania and Kazakhstan.

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 School of the University of Liverpool have created a useful dialogue.

In addition, the PhD students are strengthening ties between the University of Liverpool Law School and legal practitioners in Liverpool and elsewhere. The awareness of the Scholars' 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**

The progress of the early Scholars was encouraging, and the Trustees were anxious to ensure that the beneficial impacts of their work were maximised. Accordingly, they engaged with the Law School with a view to identifying and evaluating the outcomes. Evidence of impact and outcomes in the following categories were 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 School and its reputation.
4. Academic development in the specialist fields in which the Scholars are working.
5. The contacts with the practicing profession and any direct effects on public practice or policies.

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Trustees' Annual Report** *(continued)*

### **Year ended 5 April 2023**

---

The results of these enquiries have 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 School is given access to a level of global talent and the benefits that brings to its work and reputation.
3. Liverpool and its legal profession are given a link to the academic and international communities.

The Trustees will continue to monitor the benefits to the scheme and indeed recently sought informal feedback/testimonials from the scholars to establish the benefits to them which appear considerable.

The Trust can look forward to the future of the Scholarships and its continuing work contributing to the transformative effect of legal education for individuals and their communities.

#### **Financial review**

Total incoming resources were £103,421 (2022: £91,615) with £18,579 being used to generate such funds (2022: £19,676). Donations totalling £58,030 (2022: £92,839) have been made in the year and £10,962 (2022: £12,118) has been paid in respect of governance costs. There were gains on the sale of investments totalling £4,950 (2022: £3,568) and unrealised losses on revaluation totalling £268,745 (2022: gains £110,647).

#### **Investments**

The Trust's capital is all invested in quoted investments with a small balance in cash. The value of the Trust's portfolio at 5 April 2023 totalled £3,773,767 (2022: £3,938,970). 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 objective.

#### **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 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 which, in accordance with the Trustee Act 2000, the Trustees review regularly. The Trustees have been kept informed of global market conditions and have held discussions with their investment advisers on the optimum strategy in order to maintain sustainability.

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

#### **Trustees' responsibilities statement**

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charitable trust and of the incoming resources and application of resources of the charitable trust for that year.

---

# The Joseph and Elizabeth Hodgson Trust Fund

## Trustees' Annual Report *(continued)*

Year ended 5 April 2023

---

In preparing those financial statements, the trustees are required to:



- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charitable trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charitable trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 18<sup>th</sup> September 2023 and signed on behalf of the board of trustees by:

  
.....  
Mr M G Brabner  
Trustee

  
.....  
Mr R E S Gill  
Trustee

  
.....  
Mr T A F Leary  
Trustee  


# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Independent Examiner's Report to the Trustees of The Joseph and Elizabeth Hodgson Trust Fund**

**Year ended 5 April 2023**

---

I report to the trustees on my examination of the financial statements of The Joseph and Elizabeth Hodgson Trust Fund ('the charity') for the year ended 5 April 2023.

### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Giles Mattocks FCA  
Independent Examiner

Mattocks Grindley  
18 Mulberry Avenue  
Widnes  
WA8 0WN

18/9/23



# The Joseph and Elizabeth Hodgson Trust Fund

## Statement of Financial Position

5 April 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	13	3,773,767	3,938,970
<b>Current assets</b>			
Cash at bank and in hand		29,219	113,136
<b>Creditors: amounts falling due within one year</b>	14	7,240	5,941
<b>Net current assets</b>		21,979	107,195
<b>Total assets less current liabilities</b>		3,795,746	4,046,165
<b>Net assets</b>		3,795,746	4,046,165
<b>Funds of the charity</b>			
Income funds		(16,466)	(53,902)
Capital funds		3,812,212	4,100,067
<b>Total charity funds</b>	15	3,795,746	4,046,165

These financial statements were approved by the board of trustees and authorised for issue on 11 April 2023, and are signed on behalf of the board by:

  
.....  
Mr M G Brabner  
Trustee

  
.....  
Mr R E S Gill  
Trustee

  
.....  
Mr T A F Leary  
Trustee

The notes on pages 8 to Error! Bookmark not defined. form part of these financial statements.

# The Joseph and Elizabeth Hodgson Trust Fund

## Statement of Financial Activities

Year ended 5 April 2023

		Income £	2023 Capital £	Total funds £	2022 Total funds £
	Note				
<b>Income and endowments</b>					
Investment income	4	103,421	—	103,421	91,615
<b>Total income</b>		<u>103,421</u>	<u>—</u>	<u>103,421</u>	<u>91,615</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Investment management costs	5	—	18,579	18,579	19,676
Expenditure on charitable activities	6,7	65,985	5,481	71,466	106,819
<b>Total expenditure</b>		<u>65,985</u>	<u>24,060</u>	<u>90,045</u>	<u>126,495</u>
<b>Net (losses)/gains on investments</b>	9	—	(263,795)	(263,795)	114,215
<b>Net (expenditure)/income and net movement in funds</b>		<u>37,436</u>	<u>(287,855)</u>	<u>(250,419)</u>	<u>79,335</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		(53,902)	4,100,067	4,046,165	3,966,830
<b>Total funds carried forward</b>		<u>(16,466)</u>	<u>3,812,212</u>	<u>3,795,746</u>	<u>4,046,165</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 8 to Error! Bookmark not defined. form part of these financial statements.

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Notes to the Financial Statements** *(continued)*

**Year ended 5 April 2023**

---

### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified to include the required revaluation of financial instruments at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

All the charitable trust's funds are currently unrestricted.

#### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

#### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

# **The Joseph and Elizabeth Hodgson Trust Fund**

## **Notes to the Financial Statements *(continued)***

**Year ended 5 April 2023**

---

### **Investments**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Fair value on fixed asset investments is measured at the balance sheet date as follows:

- listed securities at mid market value;
- listed securities held in foreign currencies at mid market value and translated into their sterling equivalent at the accounting date;
- Government Securities at mid market value and do not include accrued interest

Unrealised gains and losses are included on the Statement of Financial Activities

### **Financial Instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

# The Joseph and Elizabeth Hodgson Trust Fund

## Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Investment Income

	Income £	Capital £	Total Funds 2023 £
Income from listed investments	102,406	—	102,406
Bank interest receivable	1,015	—	1,015
	<u>103,421</u>	<u>—</u>	<u>103,421</u>

	Income £	Capital £	Total Funds 2022 £
Income from listed investments	90,071	—	90,071
Bank interest receivable	—	1,544	1,544
	<u>90,071</u>	<u>1,544</u>	<u>91,615</u>

### 5. Investment management costs

	Capital £	Total Funds 2023 £	Capital £	Total Funds 2022 £
Portfolio management	<u>18,579</u>	<u>18,579</u>	<u>19,676</u>	<u>19,676</u>

### 6. Expenditure on charitable activities by fund type

	Income £	Capital £	Total Funds 2023 £
To fund Scholars	58,030	—	58,030
Support costs	7,955	5,481	13,436
	<u>65,985</u>	<u>5,481</u>	<u>71,466</u>

	Income £	Capital £	Total Funds 2022 £
To fund Scholars	92,839	—	92,839
Support costs	7,921	6,059	13,980
	<u>100,760</u>	<u>6,059</u>	<u>106,819</u>

# The Joseph and Elizabeth Hodgson Trust Fund

## Notes to the Financial Statements (continued)

Year ended 5 April 2023

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total Funds 2022 £
Funding of Scholars	58,030	2,474	60,504	94,701
Governance costs	—	10,962	10,962	12,118
	<u>58,030</u>	<u>13,436</u>	<u>71,466</u>	<u>106,819</u>

### 8. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Communications and IT	1,764	1,764	1,440
Governance costs	10,962	10,962	12,118
Other costs	710	710	422
	<u>13,436</u>	<u>13,436</u>	<u>13,980</u>

### 9. Net (losses)/gains on Investments

	Capital £	Total Funds 2023 £	Capital £	Total Funds 2022 £
Gains/(losses) on listed investments	<u>(263,795)</u>	<u>(263,795)</u>	<u>114,215</u>	<u>114,215</u>

### 10. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,170</u>	<u>1,170</u>

### 11. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

### 12. Trustee remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable trust during the year. Mr M G Brabner and Mr R E S Gill, two of the trustees, are also a Consultant and a Partner respectively with Brabners LLP who charge for the legal and advisory services they provide to the charitable trust. During the year costs invoiced including vat amounted to £8,621 (2022: £9,778).

# The Joseph and Elizabeth Hodgson Trust Fund

## Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

### 13. Investments

	Listed Investments £
Cost or valuation	
At 6 April 2022	3,938,970
Additions	558,353
Disposals	(448,455)
Fair value movements	(275,101)
At 5 April 2023	<u>3,773,767</u>

All investments shown above are held at valuation.

Investments are held in a portfolio and are valued at open market value.

### 14. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>7,240</u>	<u>5,941</u>

### 15. Analysis of charitable funds

#### Unrestricted funds

	At 6 April 2022 £	Income £	Expenditure £	Gains and losses £	At 5 April 2023 £
Income funds	<u>(53,902)</u>	<u>103,421</u>	<u>(65,985)</u>	<u>—</u>	<u>(16,466)</u>

	At 6 April 2021 £	Income £	Expenditure £	Gains and losses £	At 5 April 2022 £
Income funds	<u>(43,213)</u>	<u>90,071</u>	<u>(100,760)</u>	<u>—</u>	<u>(53,902)</u>

	At 6 April 2022 £	Income £	Expenditure £	Gains and losses £	At 5 April 2023 £
Capital funds	<u>4,100,067</u>	<u>—</u>	<u>(24,060)</u>	<u>(263,795)</u>	<u>3,812,212</u>

	At 6 April 2021 £	Income £	Expenditure £	Gains and losses £	At 5 April 2022 £
Capital funds	<u>4,010,043</u>	<u>1,544</u>	<u>(25,735)</u>	<u>114,215</u>	<u>4,100,067</u>

# The Joseph and Elizabeth Hodgson Trust Fund

## Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

### 16. Analysis of net assets between funds

	Capital £	Income £	Total Funds 2023 £
Investments	3,773,767	–	3,773,767
Current assets	42,065	–	42,065
Creditors less than 1 year	(3,620)	(16,466)	(20,086)
<b>Net assets</b>	<b>3,812,212</b>	<b>(16,467)</b>	<b>3,795,746</b>

	Capital £	Income £	Total Funds 2022 £
Investments	3,938,970	–	3,938,970
Current assets	164,067	–	164,067
Creditors less than 1 year	(2,970)	(53,902)	(56,872)
<b>Net assets</b>	<b>4,100,067</b>	<b>(53,902)</b>	<b>4,046,165</b>