

LEVERHULME
TRADE CHARITIES TRUST

**Trustees' Annual Report
and Financial Statements 2018**

Registered Charity Number: 1159171

TRUSTEES' ANNUAL REPORT – 2018

LEGAL AND ADMINISTRATIVE DETAILS

Established under the Will of the First Viscount Leverhulme.

Trustees Mr N W A FitzGerald KBE DSA (Chairman)
Mr D Baillie
Mr A C Butler
Mr P J Cescau
Professor K Gull CBE FRS
Mr R H P Markham CMG
Ms L Nair
Mr P G J M Polman
Mr C Saul
Ms A Sourry
Mr S G Williams

Director Professor Gordon Marshall CBE FBA AcSS
Secretary Mr Paul Read

Bankers Barclays Bank PLC, 1 Churchill Place, London, E14 5HP

Solicitors Maurice Turnor Gardner LLP
Milton House, Milton Street, London, EC2Y 9BH

Independent Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place, London WC2N 6RH

Investment Managers

1. Newton Investment Management Limited
160 Queen Victoria Street, London, EC4V 4LA
2. PIMCO
11 Baker Street, London W1U 3AH
3. Schroders Investment Management Limited
31 Gresham Street, London, EC2V 7QA

Office Address
1 Pemberton Row, London EC4A 3BG Tel. 020 7042 9888

Registered Charity Number
1159171

TRUSTEES' ANNUAL REPORT – 2018

The Trustees present their Annual Report and the audited financial statements for the year ended 31 December 2018.

History

The Leverhulme Trade Charities Trust is a Registered Charity, Number 1159171 and was constituted as a Charitable Incorporated Organisation on 12th November 2014. It derives from the Will of the First Viscount Leverhulme (the "Founder"), who died in 1925. He left a proportion of his shares in Lever Brothers Limited upon trust and specified the income beneficiaries, to include certain trade charities and the provision of scholarships for such purposes of research and education, being valid charitable purposes, as the Trustees might decide. The shareholding subsequently became one with Unilever plc.

In November 1983, the High Court approved a declaration of Charitable Trust from the Will which gave its two charitable objects each an independent existence including each its own Unilever plc shareholding. The eligible trade charities became the concern of the Leverhulme Trade Charities Trust. The Leverhulme Trust, from that date, was solely concerned with research and education.

At the conclusion of 2014, the Trustees transferred all the assets, liabilities and undertakings of the previous established Trust to this newly formed Charitable Incorporated Organisation (CIO), Number 1159171. The objects of the CIO are substantially the same as the Trust and the Trust Board members of the previous Trust were the founding Trustees of the CIO.

Objectives and Activities for the Public Benefit

The instructions given for the establishment of the Trust in the Will of the Founder in defining the purpose are succinct and generous in allowing for changes to fit the times. The objective is to provide benefits for charities connected with Commercial Travellers, Grocers or Chemists as the Trustees in their discretion direct. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and awarding grants for the year.

The aims of the charity are to fulfil the Founder's instructions. In order to carry out these aims Trustees have set in place a range of activities seeking to fulfil the Founder's intent. The Will itself places no restriction on the disciplines that are to form the content of the benefits.

The Trustees have set in place a strategy for achieving the aims and the objectives of the Trust which consists of making grants that include responding to applications from institutions having connections with the three categories of beneficiaries and making undergraduate and postgraduate bursaries to individuals connected with the three categories.

The grant making policy of the Trust provides assistance to beneficiaries who can show financial need and qualify for consideration by being connected with Commercial Travellers, Grocers or Chemists, their spouses, widows/widowers and children.

Applications for bursaries need to be made using the Trust's online application system which can be accessed via the Trust's website www.leverhulme-trade.org.uk. Applications from eligible institutions on behalf of qualifying individuals need to be in writing addressed to the Secretary of the Trust. Details of the main activities can be seen in the next section Achievement and Performance.

Where application numbers exceed the amounts allocated for bursaries, awards are reduced or declined based on the financial need of the applicant.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Achievements and Performance

During the year, 1 (2017:3) application for renewal of normal grants was received amounting to £400,000 (2017: £639,000) and the Trust Board approved it to the value of £400,000 (2017: £639,000).

Additionally, the Trust Board agreed to continue the undergraduate and postgraduate bursary schemes open to all UK universities and approved undergraduate funding for the 2018 of up to £1,157,000 (2017: £1,555,000). During the year, 334 applications for undergraduate bursaries were received (2017: 341) and 236 were approved as grants (2017: 270). The Trust Board agreed to funding postgraduate bursaries up to £343,000 for 2018 (2017: £368,000). During the year, 107 (2017: 90) applications for postgraduate bursaries were received and 86 (2017: 65) were approved as grants.

The value of grants made can be seen in the following table:

	Period of grant	2018 £000	2017 £000
Grants to Institutions for Benevolence			
- The Salespeople's Charity	1 year	400	400
Grants to institutions for individuals			
- United Reform Church Schools Trust	3 years	-	135
- Pharmacy Research UK	3 years	-	104
		400	639

The value of bursaries made can be seen in the following table:

	2018 £000	2017 £000
Undergraduate bursaries for periods of between one and six years	1,157	1,555
Postgraduate bursaries for periods of between one and four years	343	368
	1,500	1,923

The above tables indicate the performance achieved against the objectives of making grants to various institutions and bursaries to undergraduate and postgraduate students.

Financial Review

The income of the Trust amounted to £3.1m in 2018 (2017: £2.9m). The Trust has not carried out any fundraising activities during the year.

A summary of funding made to beneficiaries during the year can be seen in the previous section - Achievements and Performance.

The value of the Trust's Net Assets at the end of 2018 was £95m (2017: £95m).

TRUSTEES' ANNUAL REPORT – 2018 (continued)

The Trust's investment policy is designed to generate regular and increasing income in order support its distribution policy. Different targets have been set for the Trust's investment managers depending on whether they are managing the capital or income assets of the Trust. The target for the managers of the capital assets is primarily to match or exceed the yield of the Unilever plc shares whilst maintaining the value of the assets against a secondary benchmark. At the end of 2018 the portfolio yield for the capital assets under management was 3.2% (2017: 3.1%) versus the Unilever plc yield of 3.2% (2017: 2.9%). The investment performance of the non-Unilever capital asset manager was -7.3% (2017: 8.3%) compared to the secondary benchmark of -10.7% (2017: 13.3%). The managers of the income assets achieved a combined return in 2018 of -3.9% (2017: 8.3%) compared with a benchmark return of -1.8% (2017: 10.2%).

The Trustees annually review the Trust's shareholding in Unilever plc.

The Trustees review the reserves policy at their meetings throughout the year. The Trust's spending policies are set at a level intended to maximise sustainable spend through time and preserve, at least, the real purchasing power of the capital fund through time. The policy for the income fund is to retain sufficient funds in order to meet payments in respect of all grants awarded. At the year end there was a £2.5m surplus on the income fund (2017: £1.6m).

Plans for Future Periods

The Trustees aim to continue to maintain annual income levels and to consider and support the widest range of charitable activity consistent with their objectives and their grant making policy. They will continue to review the level of funding for the Undergraduate and Postgraduate Bursary schemes and increases to requests for grants from institutions.

Structure, Governance and Management

The Trust Board has a membership of 11 Trustees. The Trustees, who receive no remuneration for their services, meet annually.

The Trustees who served during the year and up to the date of the approval of the financial statements, are listed on page 1.

The Trustees will decide on the allocation of the income of the Leverhulme Trade Charities Trust in accordance with the objects of the Trust and which applications for grants are to be accepted. They have delegated to the Secretary the decisions for approving undergraduate and postgraduate bursaries.

Trustees' induction and ongoing training consists of briefings from other Trustees and the Director of The Leverhulme Trust; those appointed receive copies of relevant Charity Commission publications.

The Trustees consider the Board of Trustees, the Director and Director of Finance of the Leverhulme Trust as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a daily basis. No staff are employed by the Trust. The Director of Finance of the Leverhulme Trust acts as Secretary for the Trust and is responsible to the Trustees for the day to day administration of the Trust as well as reviewing the performance of the investment managers at regular intervals and reporting back to the Trustees. A charge agreed by the Trustees is made by the Leverhulme Trust in respect of the services of the Leverhulme Trust staff involved with the charities administration.

The Trustees have assessed the major risks to which the charity is exposed. The Trustees consider that potential variability of investment returns constitute the Trust's major risk. Action to mitigate the impact of this includes regular and ongoing review and discussion regarding the investment portfolio.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, 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 in business.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees are not aware of any additional information which should have been shared with the auditors.

On behalf of the Trustees

Niall FitzGerald
(Chairman)
13 March 2019

1 Pemberton Row
London EC4A 3BG

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE LEVERHULME TRADE CHARITIES TRUST

Report on the audit of the financial statements

Opinion

In our opinion, The Leverhulme Trade Charities Trust's financial statements (the "financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008.

We have audited the financial statements, included within the Trustees' Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the statement of financial activities for the year then ended, cash flow statement for the year then ended and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, which is currently due to occur on 29 March 2019, are not clear, and it is difficult to evaluate all of the potential implications on the charity's activities, beneficiaries, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Annual Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE LEVERHULME TRADE CHARITIES TRUST (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the statement of trustees' responsibilities set out on page 5 the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 March 2019

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR
ENDED 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
Income and endowments from:			
- Investment income	2	3,098	2,850
Total income and endowments		<u>3,098</u>	<u>2,850</u>
Expenditure on:			
Raising funds			
- Investment management costs		61	68
Charitable activities	3b	1,884	2,515
Total expenditure		<u>1,945</u>	<u>2,583</u>
Net income before net (losses)/gains on investments		1,153	267
Net (losses)/gains on investments	7c	(907)	17,592
Net income and net movement in funds		<u>246</u>	<u>17,859</u>
Reconciliation of funds:			
Total funds brought forward		94,759	76,900
Total funds carried forward		<u>95,005</u>	<u>94,759</u>

BALANCE SHEET AS AT 31 DECEMBER 2018

		2018	2017
		£000	£000
	Note		
Fixed assets:			
Investments in shares in Unilever plc	4	83,632	83,978
Other investments	5	<u>12,764</u>	<u>13,325</u>
Total fixed assets		96,396	97,303
Current Assets			
Debtors:			
Accrued investment income		63	63
Cash at bank and in hand		<u>1,072</u>	<u>707</u>
Total current assets		1,135	770
Liabilities:			
Creditors: amounts falling due within one year	6	<u>(1,817)</u>	<u>(2,010)</u>
Net current liabilities		(682)	(1,240)
Total assets less current liabilities		95,714	96,063
Creditors: amount falling due after one year	6	(709)	(1,304)
Total net assets		<u>95,005</u>	<u>94,759</u>
The funds of the charity			
Unrestricted funds			
	7		
Capital fund		6,408	6,408
Revaluation reserve	7c	<u>86,069</u>	<u>86,705</u>
Capital fund total		92,477	93,113
Income fund		1,815	662
Revaluation reserve	7c	<u>713</u>	<u>984</u>
Income fund total		<u>2,528</u>	<u>1,646</u>
Total charity funds		<u>95,005</u>	<u>94,759</u>

The financial statements on pages 8 to 16 were approved by the Trustees and signed on their behalf by:

Niall FitzGerald
Trustee

13 March 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £000	2017 £000
Cash flows from operating activities:		
Net cash used in operating activities (a)	(2,672)	(2,773)
Cash flows from investing activities:		
Dividends and interest	3,098	2,840
Investment management costs	(61)	(68)
Purchase of investments	<u>-</u>	<u>-</u>
Net cash provided by investing activities	3,037	2,772
Change in cash and cash equivalents in the year	<u>365</u>	<u>(1)</u>
Cash and cash equivalents brought forward	<u>707</u>	<u>708</u>
Cash and cash equivalents carried forward	<u>1,072</u>	<u>707</u>

a) Reconciliation of net expenditure to net cash flow from operating activities

Net income (as per the statement of financial activities)	246	17,859
Adjustments for:		
Dividends and interest	(3,098)	(2,850)
Net losses/(gains) on investments	907	(17,592)
Investment management costs	61	68
Increase/(Decrease) in creditors	<u>(788)</u>	<u>(258)</u>
Net cash used in operating activities	<u>(2,672)</u>	<u>(2,773)</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities 2015', Financial Reporting Standard (FRS) 102 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Significant judgements and estimates

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In preparing the financial statements, accounting estimates and judgements are made. There are no significant judgements. The most significant area of estimation is the liability from multi-year grant commitments (see note 3b and note 6 for more information). Other areas of estimation and judgement are outlined in the accounting policies stated below. With respect to the next reporting period, the year ending 31 December 2019, the most significant areas of uncertainty that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of investment markets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Statement of Recommended Practice - Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

A summary of the principal accounting policies, which have been applied consistently, is set out below.

Fund structure

The funds of the charity are unrestricted and are fully expendable at the discretion of the Trustees. However, in order to demonstrate adherence with the policy adopted to preserve the capital of the Trust, the Trustees have designated capital and income funds.

The capital fund consists of 2,035,582 ³¹/_{9p} ordinary shares of Unilever plc and certain other investments managed by Newton shown as fixed assets.

The income fund consists of the balance of investments together with the current assets and the liabilities.

Income recognition

Income is recognised when the Trust has entitlement to the resources, it is probable that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Investment income represents dividends and interest on fixed investments and deposits, with any associated tax credits or recoverable taxation, which are included on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure when there is a legal or constructive obligation committing the Trust to the expenditure.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies - Expenditure recognition (continued)

Grants, both single and multi-year, are recognised in the financial statements as liabilities after they have been approved by the Trustees, the recipients have been notified and there are no further terms and conditions to be fulfilled which are within the control of the Trust. In these circumstances there is a valid expectation by the recipients that they will receive the grant. Grants greater than one year are not amortised due to impact not being material.

Raising funds

The cost of raising funds consists of investment management fees.

Charitable activities

The cost of charitable activities consists of grants awarded, governance costs and an apportionment of support costs as shown in note 3.

Recognised gains and losses

Recognised net gains and losses on investments consist of both realised and unrealised gains and losses. Realised gains and losses are calculated as the difference between sales proceeds and purchase value. Unrealised gains and losses are calculated as the difference between market value at the end of the year and purchase value. On sale, any related unrealised gains and losses previously recognised in the revaluation reserve are transferred to the realised profits reserve.

Financial Liabilities

The Trust holds liabilities which will be settled in future years. An adjustment has not been made to discount future payments as this adjustment is not considered to be material.

Investments

Investments are recognised at market value, being the last trading price for the securities prior to year-end.

Cash at bank and in hand

Cash and bank balances represent money on deposit and on current accounts with banks. Cash held by investment managers is included within investments.

Taxation

The Leverhulme Trade Charities Trust carries on activities which are exempt from corporation tax and income tax. Irrecoverable Value Added Tax is included with the expenditure to which it relates

2 Investment income	2018 £000	2017 £000
Dividends from Unilever plc	2,712	2,478
Managed investments:		
Equities - Global	351	342
Fixed interest – Global	34	30
	<u>3,097</u>	<u>2,850</u>
Bank interest	<u>1</u>	<u>-</u>
Total investment income	<u>3,098</u>	<u>2,850</u>

Dividend income from Unilever plc is in respect of ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3a (i) Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost Type	2018 Total allocated £000	2018 Governance costs £000	2018 Support costs £000	2017 Total allocated £000	2017 Governance costs £000	2017 Support costs £000
Staff costs	46	5	41	32	3	29
Accommodation	30	2	28	29	2	27
Other	20	1	19	29	1	28
	96	8	88	90	6	84

Support costs are apportioned on the basis of staff time spent on activities.

3a (ii) Governance costs:	2018 £000	2017 £000
Audit & Legal	16	16
Support costs (based on apportioned staff time per note 3a (i))	8	6
Total Governance Costs	24	22

Audit & legal costs include the external audit fees of £13,427 (excluding non recoverable VAT).

3a (iii) Total Governance and Support Costs

	2018 £000	2017 £000
Support Costs (note 3a (i))	88	84
Governance Costs (note 3a (ii))	24	22
	112	106

3b Analysis of charitable expenditure

The Trust undertakes its charitable activities through grant making and awarded grants to a number of individuals and institutions in furtherance of its charitable activities.

Activity	2018			2017		
	Grant funded activity £000	Support and governance costs £000	Total £000	Grant funded activity £000	Support and governance costs £000	Total £000
Grants to Institutions	400	24	424	639	22	661
Undergraduate Bursaries	1,157	68	1,225	1,555	68	1,623
Postgraduate Bursaries	343	20	363	368	16	384
Grants awarded	1,900	112	2,012	2,562	106	2,668
Adjustment on prior year grant awards	(128)	-	(128)	(153)	-	(153)
Total costs	1,772	112	1,884	2,409	106	2,515

The adjustments on prior year grant awards represent the write back of amounts on closed grants or grants that have not been and will not be taken up. Total support costs are then apportioned pro rata to the value of each funded activity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3c Staff

The Trust has no employees during the year (2017: none) but a charge of £75,000 (2017: £60,000) based on time spent is made by The Leverhulme Trust, whose Director of Finance, in his capacity as Secretary, is responsible for the day to day administration of the Leverhulme Trade Charities Trust. This charge includes an appropriate proportion of overheads incurred by The Leverhulme Trust on behalf of the Leverhulme Trade Charities Trust.

3d Trustee costs

The Trustees did not receive any emoluments or reimbursement of expenses in respect of their services to the Trust (2017: £nil)

4 Investments in shares in Unilever plc

	2018	2017
	£000	£000
Historic cost	404	404
Market value	83,632	83,978

The market value of investments in Unilever plc shares reflects the market year end price. There were no purchases/sales during the year. For cost purposes, the shares were valued at the market price of £403,724 on Budget day 1965.

5 Other investments

Other investments represent the amount held in managed investments funds with Newton Investment Management, Schroders Investment Management and PIMCO and are shown at market value. The historic cost at 31 December 2018 was £9.2 million (2017: £9.2 million).

Market value:	2018	Purchase	Movement in	2017
	£000	Investments	market value	£000
		£000	£000	
Global Fixed interest	1,726	-	(45)	1,771
Global Equity	<u>11,038</u>	<u>-</u>	<u>(516)</u>	<u>11,554</u>
	<u>12,764</u>	<u>-</u>	<u>(561)</u>	<u>13,325</u>

There are no equity holdings in one company greater than 5% of the total of investments in Other Investments.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 Creditors

	2018	2017
	£000	£000
Grants payable	2,477	3,257
Other creditors	49	57
Total	<u>2,526</u>	<u>3,314</u>
Amounts falling due within one year	1,817	2,010
Amounts falling due after more than one year	709	1,304
<u>Grants payable are analysed as follows:</u>		
Grocery Aid	200	400
Pharmacy Research UK	96	221
The Girls' Day Schools Trust	188	197
United Reformed Church Schools	149	164
Royal Pinner School Foundation	<u>180</u>	<u>360</u>
	813	1,342
Undergraduate/Postgraduate Bursaries	<u>1,664</u>	<u>1,915</u>
Total	<u>2,477</u>	<u>3,257</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Capital and income funds

	Capital fund 2018 £000	Income fund 2018 £000	Total funds 2018 £000	Capital fund 2017 £000	Income fund 2017 £000	Total funds 2017 £000
a) Movement in funds						
As at 1 January	93,113	1,646	94,759	75,704	1,196	76,900
Net income (expenditure)before net gains on investments	-	1,153	1,153	-	267	267
Net (losses)/gains on investments	(636)	(271)	(907)	17,409	183	17,592
As at 31 December	92,477	2,528	95,005	93,113	1,646	94,759
b) Funds are comprised as follows:						
Investments	92,477	3,919	96,396	93,113	4,190	97,303
Current assets	-	1,135	1,135	-	770	770
Liabilities	-	(2,526)	(2,526)	-	(3,314)	(3,314)
Net funds	92,477	2,528	95,005	93,113	1,646	94,759
c) Revaluation reserves						
As at 1 January	86,705	984	87,689	69,296	801	70,097
Revaluation of investments	(636)	(271)	(907)	17,409	183	17,592
As at 31 December	86,069	713	86,782	86,705	984	87,689

8 Related parties

The Report of the Trustees explains the relationship between the Trustees of this Trust and those of the Leverhulme Trust.

In 2018, the Trust received dividend income of £2,712,209 from Unilever plc (2017: £2,477,506). Unilever plc is a company with a director in common with the Trust's Trustees.

The Trust's investments include £83,631,886 of ordinary shares held in Unilever plc (2017: £83,977,935).

The Trust does not have any employees but a charge of £75,000 (2017: £60,000) is made by The Leverhulme Trust, whose Director of Finance, in his capacity as Secretary, is responsible for the day to day administration of the Leverhulme Trade Charities Trust. This charge included an appropriate proportion of overheads incurred by The Leverhulme Trust on behalf of the Leverhulme Trade Charities Trust.

9 Registered Office

The registered office for the Leverhulme Trade Charities Trust is 1 Pemberton Row, London, EC4A 3BG.