

LEVERHULME
TRADE CHARITIES TRUST

**Trustees' Annual Report
and Financial Statements 2024**

Registered Charity Number: 1159171

TRUSTEES' ANNUAL REPORT – 2024

LEGAL AND ADMINISTRATIVE DETAILS

Established under the Will of the First Viscount Leverhulme.

Trustees	Alan Jope CBE (Chairman from 6 August 2024) Dr Niall FitzGerald KBE DSA (Trustee and Chairman until 6 August 2024) Doug Baillie Professor Keith Gull CBE FRS Rudy Markham CMG – until 5 March 2025 Mhairi McEwan Leena Nair – until 26 November 2024 Graeme Pitkethly – from 6 March 2024 Quintin Price – from 26 June 2024 Christopher Saul Keith Weed CBE Dame Sharon White – from 1 December 2024 until 25 June 2025 Steve Williams– until 5 March 2025
Director	Professor Anna Vignoles CBE FBA
Bankers	Barclays Bank PLC, 1 Churchill Place, London, E14 5HP
Legal Advisors	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 Advisor	Partners Capital LLP 5 Young Street, London W8 5EH
Office Address	1 Pemberton Row, London EC4A 3BG Tel. 020 7042 9888
Website	www.leverhulme-trade.org.uk
Registered Charity Number	1159171

TRUSTEES' ANNUAL REPORT – 2024

The Trustees present their Annual Report and the audited financial statements for the year ended 31 December 2024.

History

The Leverhulme Trade Charities Trust is a Registered Charity, Number 1159171 and was constituted as a Charitable Incorporated Organisation in the United Kingdom on 12 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 each of its two charitable objects an independent existence including each its own Unilever plc shareholding. The eligible trade charities became the concern of the Leverhulme Trade Charities Trust (“the 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 previous 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 or further any charitable purpose connected with Commercial Travellers, Grocers or Chemists and their dependents 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 by providing support towards the costs of education for individuals connected with the three categories, including bursaries for undergraduate and postgraduate students.

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. Details of the main activities can be seen in the next section Achievements 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 – 2024 (continued)

Achievements and Performance

In 2024 the Trust began its new grant making strategy with its focus solely on education.

In particular, £1m, which had been committed in 2023, was paid to fund GroceryAid Schools Essential Grant (SEG) scheme in the Summer of 2024. This scheme aims to reduce the financial hardship faced by parents in the industries supported by the Trust, helping families purchase school necessities for the start of term. The grant was spent in full, which meant that 6,667 children went back to school in September with new and essential uniform and equipment. GroceryAid received 11,475 applications and successfully awarded 3,563.

During the year, GroceryAid was awarded £1m to support its SEG scheme in 2025.

Additionally, the Trust Board agreed to continue the undergraduate and postgraduate bursary schemes open to all UK universities and approved undergraduate funding for 2024 of £1,347,429 (2023: £1,542,619). During 2024, 501 applications for undergraduate bursaries were received (2023: 418) and at the end of the year 265 were approved as grants (2023: 275). The Trust Board agreed to funding postgraduate bursaries of £238,750 for 2024 (2023: £361,340). During the year, 104 (2023: 98) applications for postgraduate bursaries were received and 43 (2023: 60) were approved as grants.

Bursaries for the new vocational scheme (Manchester and Bolton trial) had a slow start with 27 applications being received in the year and 7 being awarded a total of £10,000.

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

	Period of grant awarded in year	2024 £000	2023 £000
Grants to Institutions for Benevolence			
- The Salespeople's Charity	(2 year)	-	900
- Royal Pinner Educational Trust	(2 year)	-	400
- GroceryAid	1 year	-	467
- GroceryAid – Schools Essentials Grant	1 year	1,000	1,000
		<hr/>	<hr/>
		1,000	2,767

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

	2024 £000	2023 £000
Undergraduate bursaries for periods of between one and six years	1,347	1,543
Postgraduate bursaries for periods of between one and four years	239	361
	10	-
Vocational bursaries for periods of one and 2 years	<hr/>	<hr/>
	1,596	1,904

The above tables indicate the performance achieved against the objectives of making grants to various institutions and bursaries to undergraduate and postgraduate students. The Trust considers that the current grant levels are in line with the aims and objectives set by the charity.

TRUSTEES' ANNUAL REPORT – 2024 (continued)**Financial Review**

The income of the Trust, comprising investment income, amounted to £2.3m in 2024 (2023: £3.0m). The Trust has not carried out any fundraising activities during the year therefore no fundraising disclosures are made.

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 2024 was £106.6m (2023: £90.3m)

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern due to the liquid nature of the Trust's investment portfolio.

Investment Policy and Performance

At 31 December 2024, the Trust's total investments of £108.5m (2023: £92.9m) comprised:

- investment in shares in Unilever plc of £56.8m (2023: £77.3m) and
- other investments held under a discretionary management agreement with Partners Capital LLP of £51.7m (2023: £15.6m).

The Trust's investment advisor, Partners Capital, was appointed in 2020 and an updated investment policy statement and strategic asset allocation was agreed by the Trust's Investment Committee and the Trustees in 2023 which set a long-term strategic asset allocation for LTCT to be akin to the Leverhulme Trust.

The Trustees review annually the Trust's shareholding in Unilever plc and decided, in the context of the new investment strategy to reduce its shareholding.

In early January 2024, the Trust sold 785,582 Unilever shares (of 2,035,582 held at 31 December 2023). The £30m proceeds have been reinvested in a diverse portfolio with Partners Capital. Investments were made in two global equities index trackers, a further investment in the Master Portfolio C Fund (a multi-asset fund) and a money-market fund and in private debt. LTCT now holds 1,250,000 Unilever shares.

The aim of the strategy is a minimum return which should preserve the portfolio's real value (with inflation measured by UK CPI) after funding an annual withdrawal of 4% p.a. If UK CPI is assumed to be 3.0%, the minimum rate of target return is 7.0% p.a. A 1.0% per year buffer is added to increase the probability of meeting the 7.0% minimum return. This equates to a nominal target return of 8.0%.

In 2024, the Trust's investments (net of fees) returned 20.5% (2023: -3.4%).

	2024 - £000	2023 - £000	Total return	Change in value on balance sheet £000
Unilever shareholding	56,850	77,352	23.5%	-20,502
Partners Capital managed portfolio	51,659	15,594	16.8%	36,065
Total	108,509	92,946	20.5%	15,555

The Trust incorporates responsible investment best practices into investment decision making. It believes that by engaging in a broad set of extra-financial considerations – including environmental, social and governance (ESG) issues – the long-term financial performance of the portfolio can be sustained with potential for improvement. The Trust's approach is to operate a set of principles that reflect its values and to apply them with common sense and a measure of pragmatism and to ensure it remains cognisant of changes and trends in investment markets and in society at large. It seeks impact through its grant giving for academic scholarship. The investment of its funds to provide these scholarships means that investment decisions are predominantly driven by economic return.

TRUSTEES' ANNUAL REPORT – 2024 (continued)

Reserves Policy

It is Trust policy to, at least, maintain the real value of the level of reserves over the long term and to maintain sufficient liquidity to meet its commitments. The Trust's nominal target return for its investments of 8% over the longer-term with a planned 4% annual withdrawal has been set with a view to achieving this policy target. The free reserve balance at 31 December 2024 was £106.6m (2023: £90.3m) in line with the target.

Plans for Future Periods

The Trust will continue to review the level of funding for its established schemes such as the undergraduate and postgraduate bursaries, as well as its new schemes. As part of an expanded trial of its vocational bursary scheme, the Trust will work with London South Bank Technical College in 2025 in addition to The Manchester College and Bolton College with the future aim of scaling nationwide.

Following a successful first year of supporting GroceryAid's Schools Essential Grant in 2024, the Trustees have committed to continue its support, at £1m each year, for 2025 – 2028. This scheme aims to reduce the financial impact on parents in the Grocery and Pharmacy trades by helping families purchase school necessities required for the start of term.

To support its new grant giving strategy, the Trust will continue to build on its re-focused public relations and marketing plan, which commenced in 2024, in the forthcoming years. The purpose is to boost awareness of the Trust's schemes in the industries the Trust supports, particularly the new ones, and to establish the Trust's identity as being a recognised educational grant giving trust within that community.

Structure, Governance and Management

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

The Trustees, who receive no remuneration for their services, meet annually. Details of Trustee expenses and any related party transactions are disclosed in the notes to the financial statements (notes 3d and 6).

The Trust's induction for new trustees aims to cover understanding the Trust and its grant schemes, learning about the higher education sector and understanding of the role of a charity trustee. Trustee induction includes discussions with existing trustees and Trust senior management, as well as the provision of key documents from the Trust and Charity Commission and some online training.

The Director of the Trust is Professor Anna Vignoles.

The Trustees consider the Board of Trustees together with the Director, the Director of Finance and the Assistant 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 Assistant Director of Finance of The Leverhulme Trust is responsible to the Trustees for the day to day administration of the Trust.

The Investment Committee. The membership of the Investment Committee consists of Trustee Board members and external investment specialists. Those who served on the committee during 2024 and up to the signing of this report were: Rudy Markham –trustee member until 5 March 2024 - (Chairman of the Committee to 26 November 2024), Dr Niall FitzGerald - trustee member until 6 August 2024, Professor Keith Gull - trustee member, Christopher Saul – trustee member, Alan Jope – trustee member, Quintin Price – external member who became a trustee member from 26 June 2024 (Chairman of the Committee from 26 November 2024) , Dame Elizabeth Corley – external member and Angela Docherty – external member. The Committee's remit is to make recommendations to the Trustees regarding the non-Unilever investments of the Trust. The external member positions are remunerated.

TRUSTEES' ANNUAL REPORT – 2024 (continued)

The Risk Committee is made up of three Trustees (Doug Baillie, Mhairi McEwan and Christopher Saul), the Director of the Trust and the Director of Finance. Its remit is to consider the risks to which the Trust may be exposed, prepare an appropriate Risk Register, and present this to the Trust Board for consideration on a regular basis.

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.

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, and The Charities (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. www.leverhulme-trade.org.uk Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Trustee in office at the date the Trustees' Annual Report is approved: so far as the Trustee is aware, (a) there is no relevant audit information of which the Trust's auditors are unaware; and (b) they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

The Trustees' Annual Report on pages 2 to 6 was approved by the Trustees and signed on their behalf by:



Alan Jope CBE
(Trustee Chairman)
29 July 2025

1 Pemberton Row
London EC4A 3BG

Registered charity number: 1159171

Independent auditors' report to the trustees of Leverhulme Trade Charities Trust**Report on the audit of the financial statements**

Opinion

In our opinion, 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 2024 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, including 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 2024; the statement of financial activities and the cash flow statement for the year then ended; and the notes to the financial statements, which include a description 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

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 charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

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

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, except to the extent otherwise explicitly stated in this report, 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.

With respect to the Trustees' Report, we also considered whether the disclosures required by Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us to also report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Annual Report.

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, 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.

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.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and relevant regulations made or having an effect thereunder and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to conceal misappropriation of assets or manipulate financial results. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Testing estimates and judgements made in the preparation of the financial statements for indicators of bias.
- Reviewing meeting minutes, and significant contracts and agreements.
- Holding discussions with the trustees and management to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC'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.

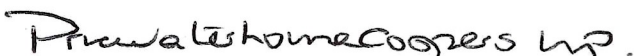
Other required reporting

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.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

29 July 2025

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £000	2023 £000
Income and endowments from:			
- Investment income	2	2,305	3,064
Total income and endowments		<u>2,305</u>	<u>3,064</u>
Expenditure on:			
Raising funds			
- Investment management fees		111	27
Charitable activities	3b	2,663	4,606
Total expenditure		<u>2,774</u>	<u>4,633</u>
Net (expenditure) before net gains/ (losses) on investments		(469)	(1,569)
Net gains / (losses) on investments	4c	16,706	(6,326)
Net income / (expenditure) and net movement in funds		<u>16,237</u>	<u>(7,895)</u>
Reconciliation of funds:			
Total funds brought forward		90,337	98,232
Total funds carried forward		<u>106,574</u>	<u>90,337</u>

The notes on pages 13 to 19 form part of these financial statements

BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024 £000	2023 £000
Fixed assets:			
Investments in shares in Unilever plc	4a	56,850	77,352
Other investments	4a	<u>51,659</u>	<u>15,594</u>
Total fixed assets		108,509	92,946
Current Assets:			
Cash at bank and in hand		<u>1,323</u>	<u>529</u>
Total current assets		1,323	529
Liabilities:			
Creditors: amounts falling due within one year	5	<u>(2,468)</u>	<u>(2,222)</u>
Net current liabilities		(1,145)	(1,693)
Total assets less current liabilities		107,364	91,253
Creditors: amount falling due after one year	5	<u>(790)</u>	<u>(916)</u>
Total net assets		<u>106,574</u>	<u>90,337</u>
The funds of the charity			
Unrestricted funds		106,574	90,337
Total charity funds		<u>106,574</u>	<u>90,337</u>

The notes on pages 13 to 19 form part of these financial statements.

The financial statements on pages 10 to 19 were approved by the Trustees and signed on their behalf by:



Alan Jope CBE
Trustee Chairman

29 July 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £'000	2023 £'000
Cash flows from operating activities:		
Net cash used in operating activities (a)	(2,543)	(3,637)
Cash flows from investing activities:		
Dividends and interest	2,305	3,064
Investment fees (cash basis)	(45)	-
Purchases of investments	(49,414)	-
Sale of investments	50,538	-
Unrealised gain in cash	(9)	-
Change in cash in investments	(38)	-
Net cash provided by investing activities	3,337	3,064
Change in cash and cash equivalents in the year	794	(573)
Cash and cash equivalents brought forward	529	1,102
Cash and cash equivalents carried forward	1,323	529

a) Reconciliation of net income / (expenditure) to net cash flow from operating activities	2024 £000	2023 £000
Net income / (expenditure) (as per the statement of financial activities)	16,237	(7,895)
Adjustments for:		
Dividends and interest	(2,305)	(3,064)
Net (gains) / losses on investments	(16,706)	6,326
Investment management fees	111	27
Increase in creditors	120	969
Net cash used in operating activities	(2,543)	(3,637)

b) Analysis of changes in net cash/(debt)

Net cash at 1 January	529	1,102
Net cash inflow / (outflow)	794	(573)
Net cash at 31 December	1,323	529

The notes on pages 13 to 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Basis of preparation of the financial statements

These financial statements of the Leverhulme Trade Charities Trust (the "Trust") have been prepared in accordance with applicable accounting standards in the United Kingdom (FRS102), the Charities SORP (FRS 102) second edition October 2019 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 fair value. The Trust's functional currency and presentational currency is Pounds Sterling (GBP).

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern due to the liquid nature of the Trust's investments.

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 the Charities SORP (FRS 102) second edition October 2019.

The Trust constitutes a public benefit entity as defined by FRS 102.

Significant judgements and estimates

In preparing the financial statements, accounting estimates and judgements are made. The most significant area of judgement is that the liability from multi-year grant commitments is recognised in full at the point of the grant award as there is not deemed to be performance related conditions that prevent recognition of the expenditure.

The only estimate that has a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year is related to the valuation of the Trust's investments and, in particular, those classified as Level 2 of the fair value hierarchy. Explanation of the method for determining the valuation of investments is included within the investments accounting policy below and within note 4.

The Trust estimates the allocation of support costs to each grant activity. This estimate is apportioned on the basis of staff time spent on activities in line with the methods prescribed by the Charities SORP. Details of this allocation are included within note 3.

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.

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. Dividends are recognised when declared. Where investment income from pooled investment vehicles is re-invested it is accounted for in the unit price and recognised within net gains/(losses) on investments in the period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

Expenditure recognition

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 the impact not being material.

For grants where funding has been allocated but the value cannot reliably be measured, an estimate of the potential liability is disclosed as a commitment.

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.

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

The Trust has elected to apply the provisions of Section 11 and Section 12 of FRS102 in full. All investments are at fair value through profit or loss upon initial recognition and are measured at subsequent reporting dates at fair value.

The fair value of listed security investments is bid value. The fair value of unlisted investments uses appropriate fair value principles and techniques determined by the Trustees on the advice of the Investment Advisor, Partners Capital. These valuations are on the basis of the latest information available from the relevant fund manager.

Purchases and sales of investments are accounted for on a trade date basis.

Gains and losses arising from changes in the unrealised fair value and on the sale of investments are shown as Net gains/(losses) on investments within the Statement of Financial Activities and shown within the unrestricted funds of the Trust on the Balance Sheet.

Cash at bank and in hand

Cash and bank balances represent money on deposit and on current accounts with banks with a maturity of less than three months. Cash held by investment managers is included within investments.

Taxation

The 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2 Investment income	2024 £000	2023 £000
Dividends from Unilever plc (in respect of ordinary equity shares)	1,835	3,055
Multi-asset	-	3
Global Equities	161	-
Private Debt	284	-
Cash investment return	9	-
Bank Interest	16	6
Total investment income	2,305	3,064

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	2024 Total allocated £000	2024 Governance costs £000	2024 Support costs £000	2023 Total allocated £000	2023 Governance costs £000	2023 Support costs £000
Staff costs	49	5	44	48	5	43
Accommodation	27	3	24	25	2	23
Other	90	9	81	10	2	8
	166	17	149	83	9	74

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

3a (ii) Governance costs:	2024 £000	2023 £000
Audit & Legal	18	28
Support costs (based on apportioned staff time per note 3a (i))	17	9
Total Governance Costs	35	37

Audit & legal costs include the external audit fees of £10,500 (excluding non-recoverable VAT) (2023: £10,000).

3a (iii) Total Governance and Support Costs

	2024 £000	2023 £000
Support Costs (note 3a (i))	149	74
Governance Costs (note 3a (ii))	35	37
	184	111

NOTES TO THE FINANCIAL STATEMENTS (continued)
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	2024			2023		
	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	1,000	70	1,070	2,767	65	2,832
Undergraduate Bursaries	1,347	96	1,443	1,543	37	1,580
Postgraduate Bursaries	239	17	256	361	9	370
Vocational Bursaries	10	1	11	-	-	-
Grants awarded	2,596	184	2,780	4,671	111	4,782
Adjustment on prior year grant awards	(117)	-	(117)	(176)	-	(176)
Total costs	2,479	184	2,663	4,495	111	4,606

The adjustments on prior year grant awards in both 2024 and 2023 represent supplements to grants previously awarded, 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.

3c Staff

The Trust has no employees during the year (2023: none) but a charge of £75,190 (2023: £73,000) based on time spent by staff of the Leverhulme Trust responsible for the day to day administration of the Leverhulme Trade Charities Trust is made. 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 remuneration or reimbursement of expenses in respect of their services to the Trust during the year (2023: £nil).

4a Investments in shares in Unilever plc

	2024 £000	2023 £000
As at 1 January	77,352	85,128
Disposals	(30,022)	-
Net Investment gains / (losses)	9,520	(7,776)
As at 31 December	56,850	77,352

The fair value of investments held in Unilever plc shares reflects the market year end share prices. These shares are Level 1 in the fair value hierarchy (valued using quoted prices in active markets for identical assets).

During the year, 785,582 shares were sold (2023: none) with a value of £30,022,080.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4b Other investments

	2024 £000	2023 £000
Other Investments at fair value		
Multi-asset class	24,507	15,594
Global Equities	17,040	-
Private Debt	10,039	-
Cash investments	35	-
Cash	38	-
Investments	51,659	15,594
Movement in Other Investments	2024 £000	2023 £000
As at 1 January	15,594	14,171
Purchases	49,414	-
Disposals	(20,516)	-
Net Investment gains	7,129	1,423
Increase in cash held in investments	38	-
As at 31 December	51,659	15,594

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

4c Net gains/ (losses) on investments

	2024 £000	2023 £000
Net gains / (losses) on Unilever shares	9,520	(7,776)
Net gains on Other Investments	7,129	1,423
	16,649	(6,353)
Unrealised gain in cash	(9)	-
Investment management fees in units	66	27
Net gains/ (losses) in Statement of Financial Activities	16,706	(6,326)

An amount of £66k in respect of Investment Management fees was paid within the unit prices and is reflected in Net Investment Gains. It did not result in a cash-flow.

4d Recognised fair value measurements

The following table categorises the fair values of the Trust's investment assets based on the inputs to the fair value. Categorisation within the hierarchy has been determined based on the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

- **Level 1** – valued using quoted prices in active markets for identical assets.
- **Level 2** – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.
- **Level 3** – valued by reference to valuation techniques (to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations) using inputs that are not based on observable market data.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2024	Level 1	Level 2	Level 3	Total 2024
Investments	£000	£000	£000	£000
Multi-asset class	-	24,507	-	24,507
Global Equities	17,040	-	-	17,040
Private Debt	-	10,039	-	10,039
Cash investments	-	35	-	35
Cash	38	-	-	38
Investments	17,078	34,581	-	51,659

2023	Level 1	Level 2	Level 3	Total 2023
Investments	£000	£000	£000	£000
Multi-asset class	-	15,594	-	15,594
Investments	-	15,594	-	15,594

4e Financial Risk Management

Credit Risk The carrying amounts stated above represents the Trust's maximum exposure to credit risk therefore further disclosure is not required.

Market Risk The Trust is exposed to movements in the share price of Unilever plc. For every 1% reduction in the 31 December 2024 share price of Unilever plc, the value of the Trust's shareholding would reduce by £568,500.

In the remaining portion of its investment portfolio, the Trust's exposure to movements in equity prices arising is mitigated by diversification. The Trust invests in multiple asset classes with a variety of underlying investment managers.

The Trust monitors its equity risk using a risk framework based on beta to equity markets. Exposures to core market risks are converted into one single "equity equivalent" portfolio risk metric. The equity beta at 31 December 2024 was 0.68. Therefore, for a 1% reduction in equity prices the value of the Trust's other investments would be expected to fall by 0.68% and every 1% reduction in global equity prices would be expected to lead to a reduction of £351k in Charity Funds.

The Trust's objectives, policies and processes for managing the risk arising from financial instruments are further explained in the Trustees' Annual Report.

Currency Risk

The Trust takes a long term view of the currency risk inherent within a global investment portfolio. Most of the Trust's assets are denominated in sterling. It does though also have some investments denominated in US Dollars and a 1% weakening of the Dollar against Sterling would be expected to lead to a direct reduction of £101k in Charity Funds (2023: zero)

5 Creditors

	2024	2023
	£000	£000
Grants payable	3,236	3,115
Other creditors	22	23
Total	3,258	3,138
Amounts falling due within one year	2,468	2,222

NOTES TO THE FINANCIAL STATEMENTS (continued)Grants payable are analysed as follows:

GroceryAid	1,000	1,000
Undergraduate/Postgraduate Bursaries	<u>2,236</u>	<u>2,115</u>
Total	<u>3,236</u>	3,115

6 Related parties

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

In 2024, the Trust received dividend income of £1,835,000 from Unilever plc (2023: £3,055,408). Unilever plc is a company with a director in common with the Trust's Trustees. Graeme Pitkethly who became a Trustee in March 2024 was Chief Financial Officer at Unilever plc until 31 December 2023.

The Trust's investments include £56,850,000 of ordinary shares held in Unilever plc (2023: £77,352,116).

The Trust does not have any employees but a charge of £75,190 (2023: £73,000) is made by The Leverhulme Trust for staff time spent on 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.

7 Commitments

In 2025, the Trust committed a total of £3m to fund GroceryAid's Schools Essential Grant at £1m per year in 2026, 2027 and 2028. The scheme aims to reduce the financial impact on parents in the industries the Trust supports, helping families purchase school necessities required for the start of term.

8 The Trust

The Trust is a registered charity (number 1159171) and is constituted as a Charitable Incorporated Organisation (CIO) in the United Kingdom.

The registered office of the Trust is 1 Pemberton Row, London, EC4A 3BG.