

LEVERHULME
TRUST _____

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

Registered Charity Number: 1159154

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

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. Capital International Limited
40 Grosvenor Place, London, SW1X 7GG
2. Newton Investment Management Limited
160 Queen Victoria Street, London, EC4V 4LA
3. PIMCO
11 Baker Street, London W1U 3AH
4. Schroders Investment Management Limited
1 London Wall Place, London EC2Y 5AU
5. Allianz Global Investors GmbH, UK Branch
199 Bishopsgate, London, EC2M 3TY
6. River & Mercantile Asset Management LLP
30 Coleman Street EC2R 5AL

Custodian Northern Trust
50 Bank Street, Canary Wharf, London E14 5NT

Investment Consultant
Wilton Associates, 10 Liberia Road, London N5 1JR

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

Registered Charity Number
1159154

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 Trust is a Registered Charity, Number 1159154, and was constituted as a Charitable Incorporated Organisation in the United Kingdom on 11 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 that the beneficiaries of the resulting income should 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 associated 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 its own Unilever plc shareholding. The eligible trade charities became the concern of the Leverhulme Trade Charities Trust. The Leverhulme Trust, ("The 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 1159154. 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

The objective of the Trust is the provision of scholarships and other similar support for education and research in order to fulfil the Founder's objectives.

The Trustees have set in place a range of activities to meet this objective. The constitution of the Trust places no restriction on the disciplines that are to provide the scholarships for research or education; however, in recognition of the substantial sums provided by other funders of research and scholarship in medicine and related clinical activities, the Trust does not fund in this area. The Trust operates in responsive mode, with the choice of research topic determined by individual applicants.

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 setting the grant-making policy for the year. The Trust Board meets annually to review its grant-making activities, and to make modifications to the portfolio, where appropriate.

The Trustees have set in place a strategy for achieving the aims and the objectives of the Trust, which consists of making grants across a broad range of schemes, by identifying individuals who can demonstrate high-quality scholarship, originality, and excellence in their chosen research proposal.

The grant-making policies of the Trust are set out on the Trust's website. This provides detailed information on how to apply for a grant, and explains how awards are administered.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Objectives and Activities (continued)

In assessing grant applications for funding, the Trustees use the following criteria to prioritise work of outstanding scholarship:

- Originality—the research achieves more than the incremental development of a single discipline;
- Importance—the work will enable further research or enquiry;
- Significance—the proposed research has relevance outside a single field, and is able to excite those working in other disciplines;
- Merit—the quality of the research design and methodology, and the suitability of the researchers and institution for the realisation of the proposed research objectives.

A second set of criteria reflect the particular values of the Leverhulme Trust, and express the Trust Board's aspiration that the Trust's funding maintains a distinctive role within the current research funding landscape. Applications are particularly welcomed when they:

- Reflect an individual's personal vision, aspiration, or intellectual curiosity;
- Take appropriate risks in setting and pursuing research objectives;
- Enable a refreshing departure from established patterns of working – either for the individual, or for the discipline;
- Transcend disciplinary boundaries.

All applications to the Trust are subject to the established and robust peer review mechanisms of the academy and higher education sector to identify innovative, original research which meets the Trust's criteria, as stated above. All decisions are taken in light of the peer review comments received.

Details of the main schemes can be seen in the section 'Achievements and Performance' below.

Public Benefit

The benefits provided by fulfilling the Founder's wishes of funding scholarships for education and research are primarily associated with the skills developed by the research, teaching and student communities, as a consequence of the Trust's awards. This outcome is believed to be well in keeping with the Founder's intent, namely of public benefit.

Achievements and Performance

The Trust makes grants across a range of regular schemes, providing support for individuals at a range of career stages, for groups and teams of researchers, and for international collaborations. The majority of these schemes operate annually, while others (indicated ▲ below) run triennially:

Arts Scholarships▲

Open to specialist arts training organisations to develop innovative teaching and to provide bursaries for individuals of exceptional talent to develop their skills in the fine and performing arts. Awards range from £25,000 to £490,000.

Early Career Fellowships

Providing a bridge into an academic career for researchers with a proven research record who have not yet held an established academic post. The scheme provides 50% of the salary costs of a 3-year academic appointment, with the host institution providing the balance, plus some research costs. The Leverhulme contribution over 3 years is up to £93,000.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Achievements and Performance (continued)

Emeritus Fellowships

Providing funding for 3-24 months for senior researchers who have retired from an academic post to enable them to complete a research project and publish the results. Awards are for up to £22,000.

Doctoral Scholarships ▲

To support doctoral studies in UK universities at a time of growing undergraduate debt. Each grant is for £1,050,000 and provides fifteen fully-funded Leverhulme Doctoral Scholarships (five in each of three years). The scholarship funds full-time studies and covers maintenance at the level of a research council UK doctoral stipend and full university tuition fees. The balance is to be used to provide funds for the student's research expenses and research training.

International Academic Fellowships

Enabling established researchers in UK higher education institutions to spend 3-12 months in overseas research centres, to develop new knowledge, skills and ideas. Up to £45,000 available.

Major Research Fellowships

Supporting well-established academics in the humanities and social sciences to focus for 2 or 3 years on a specific piece of significant, original research. The scheme is particularly aimed at those whose day-to-day duties have prevented them from completing a programme of research. Annual replacement costs plus research expenses is in the region of £50,000.

Philip Leverhulme Prizes

To recognise researchers at an early stage of their career, whose work has already had a significant international impact, and whose future research career is exceptionally promising. £100,000 is provided over two or three years for any research purpose.

Research Centres ▲

To support fundamental cross-disciplinary research across the sciences, humanities and social sciences. This competition held first in 2015 was designed to encourage original research which would establish or reshape a significant field of study and transform understanding of an important topic in contemporary societies. Awards of up to £10,000,000 over 10 years. A new call for applications was launched in 2017. See below for details on the awards made in late 2018.

Research Fellowships

Supporting experienced researchers, particularly those whose day-to-day responsibilities have prevented them from completing a programme of research, and open to independent scholars as well as those holding posts in universities. Replacement costs/loss of earnings and research expenses available over 3-24 months. Maximum award £55,000.

Research Leadership Awards ▲

Supporting researchers with an established university career to build a research team to address a distinct research problem. Between £800,000 and £1million over 5 years is available to fund research assistants and research students working under the leadership of the award holder, plus associated costs.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Achievements and Performance (continued)

Research Project Grants

Available for any research topic, with the choice of theme and research approach left to applicants. Up to £500,000 over 5 years is available to cover salaries for research and associated costs. This is the Trust's core funding stream and its popularity saw the allocation to grants at £39.3m in 2018 (£34.9m in 2017).

Study Abroad Studentships

Supporting a period of postgraduate study or research in any overseas country except the USA. Awards offer maintenance, travel and essential research/study costs for between 12 and 24 months. Annual award value is c. £25,000.

Visiting Professorships

To enable UK institutions to invite an eminent researcher from overseas to enhance the knowledge and skills of academics and students in the host institution. Awards cover maintenance, travel expenses and research costs and last for between 3 and 12 months. Given the variety of individual circumstances, the value of an award can range from under £10,000 to over £80,000, depending on duration.

A summary of the value of grants made during the year can be seen in the following table.

Types of schemes	2018		2017	
	£000	%	£000	%
Research Project Grants	39,271	36	34,858	44
Research Centres	29,999	27	-	-
Doctoral Scholarships	-	-	12,600	16
Early Career Fellowships	12,456	11	11,592	15
Arts Scholarships	10,392	9	-	-
Major Research Fellowships	4,307	4	4,853	6
Research Fellowships	5,679	5	4,624	6
Leverhulme Prizes	3,000	3	3,000	4
Academy Fellowships/Scholarships	1,356	1	3,760	5
Visiting Professors	1,789	1	1,623	2
Study Abroad Studentships	1,059	1	1,014	1
Emeritus Fellowships	660	1	593	1
International Academic Fellowships	529	1	383	-
Grants Awarded in Year	110,497	100	78,900	100

The number of applications received for consideration for all schemes amounted to 3,748 in 2018 (2017: 3,807). The number of grants which were subsequently made amounted to 670 (2017: 587).

The Trust maintains a portfolio of diverse awards (see above) which are attractive to the research community. This is demonstrated by the numbers of applications, which remain consistently high across the schemes (e.g. 2018: Research Project Grants over 800, Early Career Fellowships over 700, Research Fellowships over 600). The selection of successful applications, based on peer review, involves success rates ranging from c. 14 to 35%. The Trust is able to disburse its available income without any sacrifice of quality.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Achievements and Performance (continued)

In addition to the Trust's regular programme of grant schemes, in December 2018, the Leverhulme Trust Board announced three new Leverhulme Research Centre awards. Each Centre, to be led by a named Director, will be funded for up to £10 million over 10 years, to support fundamental cross-disciplinary research across the sciences, humanities and social sciences. The competition was designed to encourage original research which would establish or reshape a significant field of study and transform understanding of an important topic in contemporary societies.

The successful centres were:

- Leverhulme Centre for Wildfires, Environment and Society (Dr Apostolos Voulgarakis, Imperial College London)
- Leverhulme Centre for Demographic Science (Professor Melinda Mills, University of Oxford)
- Leverhulme Centre for Anthropocene Biodiversity (Professor Chris Thomas, University of York)

All grant recipients are required to report both annually (for multi-year awards) and on completion. Final grant reports are reviewed by the Director (some 80% of grants) and submitted for Trust Board scrutiny, or are assessed and reviewed by the appropriate committees or panels to which authority has been delegated. All reports are graded, although it is not appropriate to set numerical targets for grades (nor to normalise these) due to the range, diversity and nature of the activities being reported on. Research outcomes are described, in the context of the ambitions presented in the original bid, and the outputs listed; particular attention is therefore given to the broad findings and to publications or other forms of dissemination resulting from the award. Academic papers and publications arising from the Trust's funding are subject to the usual relevant academic peer review process for such publications. Acknowledgment of Leverhulme support in outputs (journal articles, monographs etc) is a formal requirement of the Trust. Publications arising from Leverhulme grants are also subject to external peer review through the Government's mechanism (Research Excellence Framework in 2014, Research Assessment Exercise prior to this) to assess the research of British higher education institutions, see <http://www.ref.ac.uk/>. The Trust regularly monitors the impact of its support on the careers of grant recipients via case studies in its Annual Review.

The Trust benefits from the healthy academic and research environment in the UK. The excellence of UK scholarship is recognised for example in the various league tables of the World's top universities and the standard research metrics (such as citation statistics) which are available for each country. Despite the high volume of applications to the Trust (around 4,000 per annum) the Trust has consistently secured appropriate levels of peer review to allow it to meet its objectives. The value of the Trust's activities is enhanced by the funds provided by the Government via the Research Charities Support Fund, which provides a contribution towards university overhead costs.

The Trust also continues to place importance on international collaborations, by assisting Study Abroad Students to expand their horizons through postgraduate study or research overseas, supporting academics to develop new collaborations and lines of research with colleagues around the world via our International Academic Fellowships, and enabling UK universities to host distinguished academic visitors from overseas through our Visiting Professorships. It is also noteworthy that so many of our other grant holders choose to spend at least part of their time working with colleagues in other countries and in ways that invariably prove to be immensely rewarding. The Trust Board is delighted to be able to help foster these collaborative research relationships. British academic and cultural institutions are world leaders because of their ability to attract the finest talent from around the world; we should be robust in safeguarding this unique competitive advantage.

Financial Review

The income of the Trust amounted to £109.6m in 2018 (2017: £99.4m). The income of the Trust therefore increased by £10.2m. This was mainly due to an increase in the dividends from Unilever (£7.1m). The Trust has not carried out any fundraising activities during the year.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Grants awarded in the year increased from £78.9m in 2017 to £110.5m in 2018. A summary by scheme can be seen in Note 3b to the financial statements.

The value of the Trust's funds at the end of 2018 was £3,178m (2017: £3,256m).

Investment policy and performance

The Trust's investment policy is designed to generate regular and increasing income in order support its distribution policy.

Towards the end of 2018, the Trust reduced its shareholding in Unilever PLC through the sale of 21.6m shares (2017: Nil) realising proceeds of £907m. The primary objective, in addition to diversification, was to adjust for the effect of Unilever's share buybacks in which the Trust has not participated and so its percentage holding has gradually increased compared to historical levels. The proceeds of the disposals were reinvested alongside the Trust's other diversified financial assets. Costs paid to advisors in relation to the share disposal and the Unilever Simplifications proposals in 2018 was £2.1m (2017: Nil). This amount is included within Investment Management costs.

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 either primarily to match or exceed the yield of the Unilever plc shares whilst maintaining the value of the assets against a secondary benchmark or solely to beat an index benchmark. The total investment performance was -0.8% (2017: 7.4%) compared to the secondary benchmark of -3.8% (2017: 13.2%). The managers of the income assets achieved a combined return in 2018 of -3.8% (2017: 7.2%) compared with a benchmark return of -2.0% (2017: 8.3%). Although the managers of the income assets underperformed their benchmarks in 2018 and 2017, the benchmark set was met over the total three year period to the end of 2018.

Risk management

During the year, the Trust's Risk Committee continued to monitor both operational and strategic risks and ensured that the risk register was kept up to date. The Risk Committee will continue to review all risks and make recommendations to the Trust Board as appropriate on an annual basis.

The Chairman and Trustees consider that potential variability of investment returns constitutes the Trust's major financial risk. Action to mitigate the impact of this includes the holding of an Income smoothing reserve (as detailed below) and regular and ongoing review and discussion regarding the investment portfolio.

Other principal risks to the implementation of the Trust's strategy concern the relationships with its applicant and peer review communities. The success of the strategy of the Trust is dependent on the ability to attract sufficient numbers and quality of applicants, and to be able to rely on the good will of its peer reviewers. Steps to mitigate these risks include the regular review and refreshing of the Trust's portfolio of grant schemes (undertaken at the annual Strategy Meeting). The Trust Board also engages in regular horizon-scanning of the academic landscape, while continuing to engage and maintain relationships with the academic community through regular formal and informal meetings and activities, both with its committees and panels and with the broader academic community. During the year the Risk Committee considered in particular the risk that the quality of grant proposals coming to the Trust is undermined by Brexit and/or the UK Visa regime because non-UK researchers perceive UK research environment to be less attractive to them.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Reserves policy

Trustees review the reserves policy at their meetings throughout the year. The Trustees agreed to continue the distribution policy of the Trust agreed in 2011. Income arising in any year is to be distributed over a three year period, having the effect of smoothing any large annual fluctuations in income. During 2018 the smoothing reserve increased by £8.9m to £99.9m. (2017: an increase of £12.3m).

It is Trust policy to minimise the General Income reserves of the Trust. Where there is an excess of resources on the income fund (2018: £17.8m; 2017: £49.2m), the Trustees will agree to increases in allocations to regular schemes or to the undertaking of special schemes or to a combination of both, in order to bring the fund into compliance with policy.

Plans for future periods

The Trustees aim to maintain annual income levels so far as is possible and to consider and support the widest range of charitable activity consistent with their objectives and their grant-making policy. They will continue to monitor the demand for existing programmes and to develop new programmes and schemes, which will keep the ratio of commitments to resources in line with policy.

The Trust Board has identified funds for schemes where the grants will not be committed until 2019 or beyond: £2.0m for Visiting Professorships; £5.0m for Major Research Fellowships; £3.0m for Prizes; £10m for Research Leadership Awards; £1.2m for Senior Fellowships and £21.8m for the RAAC (Research Awards Advisory Committee).

Structure, Governance and Management

The Trust Board has a membership of up to 11 Trustees. The Trustees, who receive no remuneration for their services, meet four times annually. Details of Trustee expenses and any related party transactions are disclosed in the notes to the financial statements (notes 3d and 10).

During 2018, Unilever announced a proposal to simplify its share structure and move to a single Head Office based in the Netherlands. These proposals required the approval of Unilever PLC's shareholders. Three Trustees, Paul Polman, Amanda Sourry and Leena Nair, are serving executives of Unilever and in order to avoid a conflict of interest it was agreed that these Trustees would be recused from all Trust business. Unilever withdrew their proposal before any vote took place and the recused Trustees are expected to resume their Trustee responsibilities in 2019.

Full information on the scope of The Leverhulme Trust and the policies of the Trustees is given on the website <http://www.leverhulme.ac.uk>.

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

The Trustees consider the Board of Trustees together with the Director, Director of Finance and Assistant Director of the 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. The Trust has the equivalent of 15 staff who are accountable to the Director. All staff members are involved in the delivery of the Trust's grant-making activities.

The pay of the key management personnel and of the Trust's staff generally is reviewed annually by the Nominations and Remuneration Committee in light of changes to prices and average earnings. Remuneration levels are also periodically benchmarked against other similar organisations.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Structure, Governance and Management (continued)

The Trust has four advisory committees and an advisory panel:

- The Research Awards Advisory Committee. This consists of ten eminent scholars attached to various academic institutions in the UK, covering a wide range of fields of study. The Trustees have delegated authority to them to make research awards to individual applicants within a number of Trustee-approved schemes.
- The Investment Committee. This consists of a Trustee Board member (Mr Markham), the Director of Finance of the Trust and an investment specialist. Its remit is to review the performance of the investment managers at regular intervals and to report back to the Trustees.
- The Nominations and Remuneration Committee. The membership of this committee includes the Chairman and two other Trustees (Mr Cescau and Mr Williams) and its remit is to advise the Board of Trustees in respect of Trustee succession and remuneration of Trust staff.
- The Risk Committee is made up of two Trustees (Mr Baillie and Mr Saul) and the Director of the Trust. 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 Leverhulme Advisory Panel. This consists of some thirty UK-based academic specialists who provide a range of advice to the Trust, primarily relating to initial requests (outline applications) for financial support.

The Trust is a member of the Association of Charitable Foundations (ACF). The ACF provides helpful information on good practice, changes in the law affecting charitable foundations, and acts as an authoritative lobby on behalf of its members with Government and regulators.

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.

TRUSTEES' ANNUAL REPORT – 2018 (continued)

Statement of trustees' responsibilities (continued)

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 W A FitzGerald
(Chairman)
13 March 2019
1 Pemberton Row
London EC4A 3BG

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE LEVERHULME TRUST

Report on the audit of the financial statements

Opinion

In our opinion, The Leverhulme 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.

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

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.

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 pages 9 and 10, 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	109,626	99,383
Total income and endowments		<u>109,626</u>	<u>99,383</u>
Expenditure on:			
Raising funds			
- Investment management costs		4,699	2,218
Charitable activities	3b	108,759	77,189
Total expenditure		<u>113,458</u>	<u>79,407</u>
Net (Expenditure)/Income before Net (losses)/gains on investments	3e	(3,832)	19,976
Net (losses)/gains on investments	8	(73,872)	596,738
Net (loss)/income and net movement in funds		<u>(77,704)</u>	<u>616,714</u>
Reconciliation of funds:			
Total funds brought forward		3,255,690	2,638,976
Total funds carried forward		<u>3,177,986</u>	<u>3,255,690</u>

BALANCE SHEET AS AT 31 DECEMBER 2018

Fixed assets:	Note	2018 £000	2017 £000
Tangible assets	4	150	215
Investments			
- Investment in shares in Unilever plc	5a	1,928,168	2,827,254
- Other investments	5b	<u>1,474,156</u>	<u>597,297</u>
		3,402,324	3,424,551
Total fixed assets		<u>3,402,474</u>	<u>3,424,766</u>
Current assets			
Debtors	6	5,137	3,594
Cash at bank and in hand		2,571	28,536
Total Current assets		<u>7,708</u>	<u>32,130</u>
Liabilities:			
Creditors: amounts falling due within one year	7	<u>(123,744)</u>	<u>(115,161)</u>
Net current liabilities		(116,036)	(83,031)
Total assets less current liabilities		<u>3,286,438</u>	<u>3,341,735</u>
Creditors: amounts falling due after one year	7	<u>(108,452)</u>	<u>(86,045)</u>
Total net assets		<u>3,177,986</u>	<u>3,255,690</u>
The funds of the Charity			
Unrestricted funds	8		
Capital fund		1,121,123	216,138
Capital fund revaluation reserve	8c	<u>1,939,174</u>	<u>2,899,333</u>
Capital fund total		3,060,297	3,115,471
Income fund		70,115	78,027
Income fund revaluation reserve	8c	<u>47,574</u>	<u>62,192</u>
Income fund total		<u>117,689</u>	<u>140,219</u>
Total Charity funds		<u>3,177,986</u>	<u>3,255,690</u>

The financial statements on pages 12 to 26 were approved by the Trustees and signed on their behalf by:

Niall W A 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)	(77,705)	(76,990)
Cash flows from investing activities:		
Dividends and Interest	108,083	99,055
Investment management costs	(4,338)	(2,218)
Purchase of investments	(1,008,940)	(67,063)
Proceeds from sale of investments	978,800	49,589
Cash inflow/(outflow) from FX hedging	(5,085)	4,085
Increase in cash held by investment managers	(16,780)	(2,106)
Net cash provided by investing activities	51,740	81,342
Change in cash and cash equivalents in the year	<u>(25,965)</u>	<u>4,352</u>
Cash and cash equivalents brought forward	<u>28,536</u>	<u>24,184</u>
Cash and cash equivalents carried forward	<u>2,571</u>	<u>28,536</u>
a) Reconciliation of net expenditure to net cash flow from operating activities		
Net (expenditure)/income for the reporting year (as per the statement of financial activities)	(77,704)	616,714
Adjustments for:		
Dividends and interest	(109,626)	(99,383)
Net losses/(gains) on investments	73,872	(596,738)
Investment management costs	4,699	2,218
Increase in creditors	30,990	137
Depreciation	64	62
Net cash used in operating activities	<u>(77,705)</u>	<u>(76,990)</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 the 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 (FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011 and UK Generally Accepted Practice. 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. The most significant area of judgement is estimating the liability from multi-year grant commitments (see note 3b and note 7 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.

All Leverhulme Research centres are subject to a 5 year review. The Trustees do not deem this to be a performance related condition that prevents recognition of the expenditure.

The trust constitutes a public benefit entity as defined by FRS102.

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. Part of the income funds have also been designated as an income smoothing reserve.

The capital fund consists of 46,931,182 ordinary shares of Unilever plc and investments managed by Newton, Capital International, Allianz and River & Mercantile.

The income fund consists of the balance of fixed assets, current assets and the liabilities.

Incoming resources

Incoming resources are 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Trust to the expenditure. At the end of a grant, a liability is still recognised until after a final report is received from the grant recipient and is accepted by the Trust. At which point the balance can be written off and credited to grant funding activity within charitable expenditure disclosed in note 3b.

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

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.

Grants amounts that have been approved by the Trustees for specific purposes in future years, but have not been allocated to specific recipients at year-end are disclosed as commitments.

Tangible fixed assets

Tangible fixed assets acquired with a cost of more than £25,000 are capitalised. Otherwise they are expensed in the year of acquisition.

Depreciation is applied to fixed assets on a straight-line basis over their expected useful life at the following annual rates:

Furniture, fittings and equipment	10%
Computers and software	33 ⅓%

Depreciation is provided to recognise the useful economic life of the assets. Tangible fixed assets are stated at historic purchase cost less accumulated depreciation.

Investments

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

Forward Contracts

Forward contracts are recognised at fair value, being marked to market value at the closing foreign exchange rates on 31 December 2018.

Cash and bank balances

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

Pension scheme

All staff are employed jointly by Unilever UKCR Ltd and the Trust. The Trust staff participate in the Unilever UKCR Ltd defined benefit pension scheme. Although the pension scheme is a defined benefit scheme, information is not available to ascertain the Trust's share of the underlying assets and liabilities of the scheme in order to make the appropriate disclosures as required by section 28 of FRS 102.

Taxation

The Leverhulme 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.

Operating lease

Operating lease annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

2 Investment income

	2018 £000	2017 £000
Dividends from Unilever plc	90,495	83,409
Managed investments		
Fixed interest	3,125	2,462
Equities	14,304	12,483
Property	1,061	930
Cash	540	77
	109,525	99,361
Bank interest	101	22
Total investment income	<u>109,626</u>	<u>99,383</u>

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

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	1,404	43	1,361	1,258	39	1,219
Accommodation	400	12	388	307	10	297
Other	659	20	639	526	16	510
	<u>2,463</u>	<u>75</u>	<u>2,388</u>	<u>2,091</u>	<u>65</u>	<u>2,026</u>

Support costs are apportioned on the basis of staff time spent on activities. The increase in accommodation costs in the year was due to a 5 year rent review and the end of the amortization of the rent free period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3a (ii) Governance costs:	2018 £000	2017 £000
Audit & Legal	103	27
Trustee expenses	3	2
Support costs (based on apportioned staff time per note 3a (i))	75	65
Total Governance Costs	181	94

3a (iii) Total Governance and Support Costs

	2018 £000	2017 £000
Support Costs (note 3a (i))	2,388	2,026
Governance Costs (note 3a (ii))	181	94
	2,569	2,120

3b Analysis of charitable expenditure

Grant funding during the year plus apportioned support costs are as follows:

	2018 £000			2017 £000		
Activity	Grant funded activity	Support and governance costs	Total	Grant funded activity	Support and governance costs	Total
Research Awards Advisory Committee	20,383	457	20,840	18,206	377	18,583
Responsive Mode Projects	39,271	1,327	40,598	34,858	1,097	35,955
Research Centres	29,999	98	30,097	-	-	-
Doctoral Scholarships	-	-	-	12,600	165	12,765
Arts Scholarships	10,392	102	10,494	-	-	-
Major Research Fellowships	4,307	226	4,533	4,853	187	5,040
Academy Fellowships/ Scholarships	1,356	8	1,364	3,760	5	3,765
Visiting Professors	1,789	183	1,972	1,623	151	1,774
Prizes	3,000	168	3,168	3,000	138	3,138
Grants awarded	110,497	2,569	113,066	78,900	2,120	81,020
Adjustment on prior year grant awards	(4,307)	-	(4,307)	(3,831)	-	(3,831)
Total Costs	106,190	2,569	108,759	75,069	2,120	77,189

Support and governance costs are apportioned on the basis of staff time spent on activities. The adjustments on prior year grant awards include the write back of amounts on closed grants.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3c) Staff

	2018	2017
	£000	£000
Wages and salaries	886	824
Social Security costs	128	119
Pension costs	221	212
Contractors	138	95
Other	31	8
	<u>1,404</u>	<u>1,258</u>

The monthly average number of full time equivalent staff during the year was 15 (2017:14). All staff are involved in grant making and are employed jointly by Unilever UKCR Ltd and the Trust with their cost recharged to the Trust. At 31 December 2018 an amount of £19,109 (2017: £18,015) relating to pension contributions remained outstanding. The number of staff who received salaries and other emoluments (excluding pension contributions) over £60,000 was:

	2018	2017
	Number	Number
£100,001 - £110,000	-	1
£110,001 - £120,000	-	1
£130,001 - £140,000	1	-
£260,001 - £270,000	-	1
£310,001 - £320,000	1	-

Unilever UKCR Ltd operates a defined benefit pension scheme to which £32,115 (2017: £47,822) was contributed by the Trust in relation to higher paid employees. Although the pension scheme is a defined benefit scheme, information is not available to ascertain the Trust's share of the underlying assets and liabilities of the scheme in order make the appropriate disclosures as required by section 28 of FRS 102.

The scheme reported an estimated funding level at March 2018 of 98%. The pension scheme is a last man standing scheme. There is no agreement in place for the Trust to contribute to the funding of the scheme's deficit reduction plan.

The Trust consider the Board of Trustees, the Director, Director of Finance and Assistant Director of the Trust as comprising the key management personnel of the charity. The total employment benefits including employer contributions of the key management personnel was £506,831 (2017: £538,313).

3d) Trustee costs

Trustees did not receive any remuneration during the year (2017:nil). Six Trustees received travelling and subsistence expenses of £3,446 (2017: £2,038).

3e) Net incoming/(outgoing) resources after charging:

	2018	2017
	£	£
Auditors Remuneration (excluding non recoverable VAT)	28,142	19,555
Auditors Remuneration – Tax Advisory (excluding non-recoverable VAT)	-	550
Depreciation	65,000	62,000
Operating lease rentals	276,000	225,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Tangible fixed assets

	Furniture, fittings and equipment £000	Computers and software £000	Total £000
Cost			
At 1 January 2018	322	90	412
Additions	-	-	-
Disposals	-	-	-
At 31 December 2018	<u>322</u>	<u>90</u>	<u>412</u>
Accumulated depreciation			
At 1 January 2018	167	30	197
Charge for year	35	30	65
Disposals	-	-	-
At 31 December 2018	<u>202</u>	<u>60</u>	<u>262</u>
Net book value			
At 31 December 2018	120	30	150
At 31 December 2017	155	60	215

5 Investments

a) Investment in shares in Unilever plc

	2018 £000	2017 £000
Historical cost	9,308	13,592
Market value	1,928,168	2,827,254

During the year, the Trust sold 21,600,000 shares in Unilever plc realising proceeds of £907.3m and realising a gain of £903.0m. The market value of investments held in Unilever plc shares reflects the market year end share prices.

For cost purposes the shares are valued at the market price of £9,308,018 on Budget day 1965.

b) Other Investments

Other investments represent amounts held in managed investment funds with Capital International Limited, Newton Investment Management Limited, Allianz Global Investors GmbH and River & Mercantile Asset Management LLP (capital fund), Schroders Investment Management Limited, Northern Trust and PIMCO (income fund) are shown at market value. The historical cost at 31 December 2018 was £1,406.3million (2017: £459.4 million).

NOTES TO THE FINANCIAL STATEMENTS (continued)

b) Other Investments (continued)

	2018 Market value £000	2017 Market value £000
Available for sale Investments		
Fixed Interest - Global	181,273	133,266
Equities - Global	1,192,482	381,654
Property	27,059	25,909
Cash	72,911	55,957
Derivatives		
Forward Foreign Currency Contract	431	511
Investments	<u>1,474,156</u>	<u>597,297</u>
	2018 £000	2017 £000
Movement in Available for sale Investments		
As at 1 January	597,297	555,923
Purchases at cost	1,008,940	67,063
Disposals at cost	(68,885)	(37,593)
Net Investment (Losses)/Gains	(79,976)	9,798
Increase to cash	<u>16,780</u>	<u>2,106</u>
As at 31 December	<u>1,474,156</u>	<u>597,297</u>

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

c) Currency Hedging

At 31 December 2018 the Trust had open forward exchange contracts to sell US dollars, Yen, Euros, Swiss Francs, Canadian Dollars, Hong Kong Dollars, Singapore Dollars and Australian Dollars with a total sterling value of £103,623,372 (2017: £83,113,697). These contracts all settled by 23 January 2019. These contracts were entered into to reduce the Trust's` currency risk following the greater global diversification of its investment holdings. The forward exchange contracts have all been revalued at the applicable year end exchange rates and the resulting unrealised translation losses are included within the overall value of the investments above.

6 Debtors

Debtors comprise accrued investment income of £5,026,000 (2017: £3,578,000) and prepaid administrative expenses of £111,000 (2017: £16,000).

7 Creditors

	2018 £000	2017 £000
Grants payable	231,168	200,535
Accrued administrative expenses and Investment management fees	<u>1,028</u>	<u>671</u>
Total	232,196	201,206
Amounts falling due within one year	123,744	115,161
Amounts falling due after more than one year	108,452	86,045

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Capital and income funds

	Capital Fund	Income Fund	Total Funds	Capital Fund	Income Fund	Total Funds
	2018 £000	2018 £000	2018 £000	2017 £000	2017 £000	2017 £000
a) Movement in funds						
As at 1 January	3,115,471	140,219	3,255,690	2,533,703	105,273	2,638,976
Net (outgoing)/incoming resources before other recognised gains	-	(3,832)	(3,832)	-	19,976	19,976
Realised gains/(losses) on sale of investments	904,985	(4,080)	900,905	11,383	4,693	16,076
Movement in revaluation reserve	(960,159)	(14,618)	(974,777)	570,385	10,277	580,662
As at 31 December	3,060,297	117,689	3,177,986	3,115,471	140,219	3,255,690
b) Funds are comprised as follows:						
Fixed assets	3,060,297	342,177	3,402,474	3,115,471	309,295	3,424,766
Current assets	-	7,708	7,708	-	32,130	32,130
Liabilities	-	(232,196)	(232,196)	-	(201,206)	(201,206)
Net assets	3,060,297	117,689	3,177,986	3,115,471	140,219	3,255,690
c) Revaluation reserves						
As at 1 January	2,899,333	62,192	2,961,525	2,328,948	51,915	2,380,863
Net movement on unrealised gains on investments	(960,159)	(14,618)	(974,777)	570,385	10,277	580,662
As at 31 December	1,939,174	47,574	1,986,748	2,899,333	62,192	2,961,525
d) Designated reserve – Distribution smoothing reserve						
	General Reserve 2018 £000	Distribution Reserve 2018 £000	Income Fund 2018 £000	General Reserve 2017 £000	Distribution Reserve 2017 £000	Income Fund 2017 £000
As at 1 January	49,244	90,975	140,219	26,567	78,706	105,273
Movement in funds	(22,530)	-	(22,530)	34,946	-	34,946
Transfer from distribution reserve	59,314	(59,314)	-	51,095	(51,095)	-
Transfer to distribution reserve	(68,239)	68,239	-	(63,364)	63,364	-
As at 31 December	17,789	99,900	117,689	49,244	90,975	140,219

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Capital and income funds (continued)

The Trustees have an income distribution policy in order to smooth out any potential large short term fluctuations in Trust income. Income earned in any one year is distributed over a three year period starting in the year earned and for the two subsequent years. In 2018 a transfer was made from general reserves of £8,925,000 (2017: £12,269,000).

9 Lease commitments

At 31 December 2018 the Trust had annual commitments under an operating lease for its office which was renewed in 2012 for a term ending 24 July 2022. Currently it amounts to £230,000 plus Value Added Tax per annum. The minimum lease payments remaining equates to £818,000 (2017: £1,048,000).

10 Related parties

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

In 2018, the Trust received dividend income of £90,494,678 from Unilever plc (2017: £83,409,302). Unilever plc is a company with a director in common with the Trust's Trustees.

The Trust's investments include £1,928,167,612 of ordinary shares held in Unilever plc (2017: £2,827,253,913).

Staff are jointly employed by Unilever UKCR Ltd and the Trust with their cost recharged to the Trust. Unilever UKCR Ltd is a subsidiary of Unilever plc.

Certain Trustees are also Trustees or Directors of other organisations which are recipients of grants from the Trust. In these instances, the Trustees have declared their interest at the time of the grant approval. Professor Gull is principal of St. Edmund Hall, Oxford and professor of Molecular Microbiology at the Sir William Dunn School of Pathology in Oxford. Neither of these institutions were awarded funds in the year.

The Leverhulme Trade Charities 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.

11 Commitments

At 31 December 2018 Trustees had approved the spending levels for various schemes amounting to £42.5m (2017: £43.4m). Individual grants will be awarded under the schemes in 2019.

12 Registered Office

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 2018 Grants awarded by institution

Institution	Number of awards	Amount £000
University of Oxford	50	14,584
Imperial College London	15	12,443
University of York	11	11,333
University of Cambridge	49	5,160
University College London	28	4,077
University of Edinburgh	21	3,221
University of Warwick	25	3,132
Queen Mary, University of London	16	2,262
University of Leeds	20	2,224
King's College London	20	2,172
University of St Andrews	14	2,063
Durham University	17	2,031
University of Sheffield	15	1,858
University of Glasgow	15	1,812
University of Bristol	16	1,808
University of Nottingham	18	1,767
University of Exeter	14	1,730
University of Birmingham	15	1,513
University of Manchester	12	1,324
University of Southampton	9	1,317
Cardiff University	12	1,314
Queen's University Belfast	8	1,147
University of Kent	12	1,126
University of Sussex	7	870
Heriot-Watt University	5	839
Royal Holloway, University of London	10	810
University of Strathclyde	6	808
Aston University	5	795
Newcastle University	9	781
Northumbria University	5	727
University of Reading	8	600
University of Aberdeen	4	595
Loughborough University	7	561
University of Huddersfield	3	522
University of Hull	4	507
Royal Central School of Speech and Drama	3	505
	<hr/> 508	<hr/> 90,338
Individuals and 45 institutions below £500,000	162	20,159
2018 Total grants awarded	<hr/> 670	<hr/> 110,497

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 2017 Grants awarded by institution for comparative purposes

Institution	Number of awards	Amount £000
University College London	38	5,981
University of Oxford	40	4,964
University of Cambridge	44	4,727
University of Warwick	36	4,541
Royal Society/British Academy/Royal Academy of Engineering	4	3,488
University of Birmingham	15	2,748
Queen Mary, University of London	18	2,647
University of Edinburgh	22	2,587
Durham University	13	2,544
King's College London	13	2,527
Imperial College London	10	2,453
University of Sussex	8	2,286
Lancaster University	12	2,151
University of York	16	1,988
University of Leeds	19	1,981
Newcastle University	8	1,975
University of Aberdeen	7	1,964
University of St Andrews	18	1,914
University of Liverpool	14	1,635
University of Glasgow	14	1,593
University of Exeter	11	1,443
University of Bristol	14	1,358
University of Surrey	2	1,331
Royal Holloway, University of London	9	1,284
University of East Anglia	9	930
University of Kent	9	855
University of Leicester	7	845
University of Strathclyde	5	823
University of Reading	6	794
Cardiff University	7	729
University of Nottingham	10	688
University of Manchester	9	674
London School of Economics and Political Science	8	667
Queen's University Belfast	6	632
Oxford Brookes University	3	624
University of Essex	5	574
University of Southampton	7	536
	<hr/> 496	<hr/> 71,482
Individuals and 45 institutions below £500,000	91	7,418
2017 Total grants awarded	<hr/> 587	<hr/> 78,900