



**helps children
communicate**

Annual Report and Financial Statements

For the Year Ended 31 March 2018

**I CAN Charity (formerly Invalid Children's Aid Nationwide)
Company Limited by Guarantee
Charity Founded in 1888
Registered under the Charities Act 1960
Company Registered Number 00099629
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REPORT FROM THE CHAIRMAN AND CHIEF EXECUTIVE

We are delighted to present our Annual Report, including the Financial Statements for 2017/18. This year, we are combining what were previously two separate reports, so that our supporters, funders, volunteers and partners are presented with a clear and cohesive picture of our work and the difference we are making to children's lives.

During the past year we took significant steps to consolidate and streamline our core work at an operational level which is already reaping benefits for the children, young people and families that we serve. We have strengthened our leadership by recruiting new directors and have appointed two new Principals to our schools, Dawn House and Meath.

Both schools retained 'Outstanding' Ofsted ratings in their Care inspections which took place in November 2017 (Meath) and December 2017 (Dawn House), and Dawn House School received an 'Outstanding' Ofsted judgement in the main educational inspection in March 2018. We are extremely proud of the schools' accomplishments this past year where pupils continue to show impressive progress, both in their educational attainment and in their speech, language and communication skills.


In March 2018 we published *Bercow – Ten Years On*, which has provided I CAN with the strongest influencing platform the organisation has produced in several years. The report, developed in partnership with the Royal College of Speech and Language Therapists (RCSLT), provides a state of the nation analysis of the level and quality of support children are receiving in their language development, and a list of recommendations designed to provide practical and systemic improvements to this support. Unfortunately, far too many children are not receiving any support at all, or the support they are receiving is not meeting their language and communication needs.

We invested a year and a half in producing this report, which was led by our Trustee, Jean Gross CBE, the former national Communication Champion, and involved an impressive panel of experts from many different disciplines within the children's workforce. The influencing work we have initiated following the publication of *Bercow – Ten Years On* has contributed to tangible improvements in government policy, such as the inclusion of an emphasis on early language development in the Department of Education initiative to create a Centre of Excellence in Literacy Teaching and 35 English Hubs. We will continue to work to influence public policy throughout 2018/19.

We know how important it is to reach children with language difficulties as early as possible, which can lead to fantastic improvements in their ability to communicate. This past year we successfully entered into a partnership with a large provider of nurseries, Busy Bees, which will expand our reach to very young children. Once in school, children still require support and last year we saw over 500 new schools using our *Talk Boost Key Stage 1 and Key Stage 2* interventions. This leads to a tremendous improvement in their language skills, with 83% of pupils completing the 10-week programme reaching the expected levels for their age in understanding and using vocabulary.

Janet Dunn OBE, our long standing and excellent Principal at Meath School leaves in August 2018 after a three-decade career at I CAN. We would like to publicly acknowledge and thank her for the tremendous work she has done for the thousands of pupils and their families at both Meath School and the John Horniman School.

We appreciate the support of all our staff in helping us to improve the lives of children and young people with SLCN. None of this work is possible without the assistance we receive from our donors, supporters, volunteers and friends of I CAN. We would like to take this opportunity to sincerely thank everyone who supports our organisation. With your help we can make a real and positive difference to so many children's lives.



Huw Davies
Chair of Trustees



Bob Reitemeier
Chief Executive

COMMUNICATION IS CRUCIAL

The most fundamental life skill for children is the ability to communicate. It directly impacts on their ability to learn, to develop friendships and on their life chances.

Speech, language and communication skills are crucial to every person: for brain development in the early years and our attachment to others, for expressing ourselves and understanding others, for thinking and learning, for social interaction and emotional wellbeing, in school, as part of society and in the workplace. Yet the importance of these skills continues to be widely underestimated.

More than 1.4 million children and young people in the UK have speech, language and communication needs (SLCN). Language disorder alone is one of the most common disorders of childhood, affecting nearly 10% of all children and young people. In areas of social disadvantage this number can rise to more than 50%. Poor understanding of and insufficient resourcing for SLCN means that too many children and young people receive inadequate, ineffective and inequitable support, impacting on their educational outcomes, their employability and their mental health.

Education and attainment

- Just 26% of young children with SLCN made expected academic progress in the Early Years Foundation Stage 9 compared with 69% of all children
- Just 15% of pupils with identified SLCN achieved the expected standard in reading, writing and mathematics at the end of their primary school years compared with 61% of all pupils
- Only 20.3% of pupils with SLCN gained grade 4/C or above in English and Maths at GCSE, compared with 63.9% of all pupils.

Social, emotional and mental health

- 81% of children with emotional and behavioural disorders have unidentified language difficulties
- Young people referred to mental health services are three times more likely to have SLCN.

Life Chances

- Children with poor vocabulary skills are twice as likely to be unemployed when they reach adulthood
- At least 60% of young offenders have low language skills
- Sadly, there are now untold millions of people who are navigating their way through life with unidentified and unsupported SLCN. Many struggle to find work, experience debilitating mental health issues, and disproportionate numbers end up in the justice system. With severely limited life chances, people with SLCN are being marginalised and neglected by society.

WHO WE ARE

I CAN is the children's communication charity.

Our mission is that no child should be left out or left behind because of a difficulty speaking or understanding.

Our vision is a world where all children have the communication skills they need to fulfil their potential.

Our objectives in our Three Year Plan (2017 to 2020) are to:

- Double the number of children I CAN reaches through its schools and social enterprise
- Use our expertise, evidence base and workforce programmes to demonstrate how children's lives can be improved, thereby influencing government and other organisations to increase and enhance services to thousands more children and their families across the UK.

Our key activities include:

- Running two residential special schools to support children and young people with the most severe and complex language needs
- The development and distribution of programmes to support individual and groups of children with delayed language – currently implemented in over 5,000 nurseries and schools across the country
- Direct support to over 1,300 parents of children with SLCN each year through a dedicated telephone and Skype enquiry service where they receive advice from Speech and Language Therapists, and access to information and advice for parents and practitioners through our Talking Point website, supporting over 1.2 million people each year
- The development of our training materials, toolkits and learning platforms for the nation's workforce who are responsible for the education and care of children with SLCN
- The provision of clear and robust evidence from our work to government and policy makers to influence practice and policy across the UK, in support of all children who have language difficulties
- Working in partnership with other organisations, campaigning for better information, advice and improved services to the hundreds of thousands of children and their families not receiving the speech, language and communication support they need.

SUPPORTING COMMUNICATION DEVELOPMENT

1% of children in the UK have a severe language disorder and struggle to be able to articulate themselves and to be heard. Everyday activities such as playing with their friends, asking a question in class or telling their parents about how they feel are a daily challenge.

At I CAN we work with these children through our two 'Outstanding' special schools: Meath School in Surrey and Dawn House School in Nottinghamshire.

Our schools focus on the needs of each pupil, regardless of the complexity and severity of need, to enable each child to reach their full potential, and to become confident and independent as well as prepared for the next stages of their life. As a result, these centres of excellence consistently obtain 'Outstanding' Ofsted ratings in quality of care, education and therapy.

Both schools have a proud record of delivering exceptional results. All our students achieve excellent progress in all areas of the curriculum and especially in their speaking and communication.

Dawn House School

Dawn House School in Nottinghamshire is a specialist speech, language and communication school for children and young people aged 5-19 years which provides residential (weekly) and day teaching. The staff at DHS are committed to the highest quality of education, therapy and care for pupils with severe and/or complex speech, language and communication difficulties.

Key successes:

- The school has been rated 'Outstanding' in two consecutive Ofsted inspections
- 100% of students go onto further education, employment or independent living
- We have developed an alternative resource centre, 'CHIMES', which provides bespoke support to children with Social, Emotional & Mental Health difficulties and SLCN
- A brand new Wellbeing Suite ensures that mental health awareness and care is embedded in the culture of Dawn House School.

Meath School

Meath School is a residential and day school providing teaching, therapy and care to children aged 4-11 years, whose primary difficulty is speech, language and communication.

Specialist teachers, assistants and therapists work closely together to give pupils a quality education that results in outstanding pupil achievements. A very high percentage of pupils who attend Meath leave school with higher progress levels in learning and outstanding progress in speech and language in comparison to similar pupils nationally.

Key successes:

- Maintained our 'Outstanding' rating for the education that we provide
- The 11th consecutive 'Outstanding' Ofsted Care rating for the residential setting
- Pupil numbers at their highest for 10 years
- Evaluations of Meath School training to external practitioners shows the very strong reach and impact we are having on families, children and staff in other schools.

THE FREEDOM TO COMMUNICATE

It is estimated that more than 50% of children who live in an area of deprivation will have delayed language. If these young people do not receive the right support and intervention at an early stage of their lives it will impact on their future. However, if they can get help early enough then they can live their lives to the full. At I CAN we use this to influence how we develop our services to ensure that we can help the children who need it.

Our focus is clear – we help children with delayed language in four ways:

- Give practical help to parents who are concerned about their child
- Empower the workforce to recognise the signs of a child with SLCN
- Deliver outreach programmes in the community
- Develop intervention programmes that can be delivered in nurseries and schools

Supporting Our Parents

So much of a child's formative development starts at home. Learning to talk through listening to people talking and interacting is crucial. For some children their development can be slower than that of their peers, and this can be an anxious time. I CAN's Talking Point website offers parents advice on their child's communication development and alongside this we have our Enquiry Service, a free helpline where a concerned parent can speak to a Speech and Language Therapist.

How our support has helped parents

Talking Point Website

- In 2017/18 the Talking Point website welcomed 590,000 new users
- Over 105,000 people used the Progress Checker – a free resource on the Talking Point website, where you can track the language development of any child.

Enquiry Service

- In 2017/18 the I CAN Enquiry service supported over 1,200 people
- We have enhanced the service by giving the option of an instant response in addition to our call-back service.

Training the Workforce

For the children we support, having a trained workforce who can firstly recognise the signs of a child struggling to communicate and then to support them to get the help they need is vital. I CAN is a founding member and host of The Communication Trust (TCT), who develops tailored resources and programmes that will ensure that those who work with children are equipped to help those with SLCN.

How we have trained the workforce

- TCT successfully secured funding from a philanthropic funder, Big Change, to develop a national professional development and training programme for around 60 Health Visitors to improve their knowledge and skills in early speech, language and communication development
- In collaboration with our consortium members we have launched more than 10 new resources including a resource guide for practitioners supporting literacy skills in children and young people who use Alternative and Augmentative Communication (AAC)
- Our CPD Online Short Course, provides a pathway for practitioners working across all education phases to access vital training to increase their understanding of speech, language and communication and SLCN. This resource has proved invaluable to practitioners working with children with over 2,000 signing up to the online course
- No Pens Day Wednesday continues to go from strength to strength. On this day in October, over 7,000 schools encourage their children to put down their pens for the day and use the spoken word instead.

Outreach

We know that two of the biggest barriers in getting children with SLCN the right support is accessibility to services and general awareness of SLCN. That's why I CAN is committed to an outreach programme which engages with local authorities, schools and organisations in some of the UK's most socially deprived areas, all with the aim of better equipping these communities, sharpening their focus to identify and support children and young people with speech and language difficulties.

How we are delivering outreach in our communities

- In Knowsley we have been working with the local authority to develop a programme, Tots Talking, to support parents of early years children. Through the programme we have been able to give practical tips on how they can improve their child's communication skills
- Tots Talking is an innovative approach to changing the communication between parents and carers towards their two-year-olds. The eight-week programme, accessible in an app, supports the development of two-year-olds who may be at risk of delayed language
- In West Somerset there has been a focus on ensuring that those working with children are able to identify those who are struggling with their communication skills and are able to get the right support. I CAN is supporting this by building awareness around the signs of poor speech, language and communication with the workforce
- In Knowle DGE Academy, Bristol, we have worked with key members of their team to embed a whole school approach to supporting communication so that all pupils have access to inclusive and effective support. This has included reviewing staff knowledge and skills; developing tracking tools to measure SLCN progress for all pupils, and creating a classroom audit tool that reflected the school and pupil's needs.

Our Intervention Programmes

We want to help children to develop their speech, language and communication skills, so that they can fulfil their potential. Each of our intervention programmes is targeted and evidence-based to ensure that they give the right level of support, whilst challenging the child to develop communication skills that they can use for the rest of their lives.

Our programmes and resources and materials have supported the speech and language development of over 74,000 children in 2017/18, by thousands of teachers and practitioners all over the UK.

I CAN programmes support children and young people at every stage of their development, and because we are working directly with teachers and practitioners, we know we are helping to develop their knowledge and understanding of children's SLCN.

How our intervention programme has helped children

Early Talk Boost

Early Talk Boost is a targeted intervention aimed at 3-4-year-old children with delayed language helping to boost their language skills to help narrow the gap between them and their peers. The programme aims to accelerate children's progress in language and communication by an average of 6 months, after a nine-week intervention.

- 64% of children who participated reached expected levels in attention and listening, essential foundation skills for early communication and language, compared to 16% before the programme
- 72% of children who participated reached expected levels in understanding words and sentences, compared to 27% before the programme.

Talk Boost KS1

Talk Boost KS1 is a targeted intervention for 4-7-year-old children with language that is delayed, including children in Reception classes. The programme is delivered in primary schools by classroom teachers and teaching assistants and provides a structured programme that boosts children's progress in language and communication by an average of 9-18 months after just ten weeks of intervention.

- 78% of children who participated reached expected levels in their ability to talk in sentences, compared to 26% before the programme
- 83% of children who participated reached expected levels in understanding and using vocabulary, compared to 36% before the programme.

Talk Boost KS2

Talk Boost KS2 is an eight-week intervention which accelerates the language development of children aged 7-10 years old struggling with delayed language.

- More than three quarters of children who participated reached expected levels in understanding language, compared to 26% before the programme.

- After participating in Talk Boost KS2 64% of children reached expected levels in their ability to listen carefully, a vital skill for understanding what is happening in the classroom, compared to 19% before the programme.

CAMPAIGNING FOR CHANGE

We know that to truly change the lives and life chances of children with SLCN, we need to change the way society caters for them. Research tells us that more than half of children with SLCN in mainstream education are currently unidentified and unsupported. The scale of the task at hand is so huge, that to give these children the chances they are entitled to, we know that we need to be working with the state and large governmental institutions to bring about the change that is so desperately needed.

This past year has been one of the most active in I CAN's history. We have campaigned and lobbied politicians and decision makers, taking our message right to the heart of government.

Bercow: Ten Years On

We know that to bring effective change for the 1.4 million children with SLCN in the UK, we will need to work with decision makers to get the issue on the political agenda. We are dedicated to campaigning for positive systemic change.

In March 2018, in partnership with the RCSLT, I CAN published the outcome of a comprehensive 18-month review into the provision of speech, language and communication for children and young people in England titled *Bercow: Ten Years On*.

The report made over 40 recommendations to both national and local government, compiled by a decision-making panel consisting of experts across the children's workforce. These recommendations are designed to create better systems of identification and support.

We took the report directly to Parliament, laying bare the current picture of provision across the country.

This work has helped us to engage with a range of policy and decision makers.

Key successes:

- We were received in Parliament by the Speaker of the House of Commons and the Parliamentary Under-Secretary of State for Children and Families as well as a dozen other MPs and Parliamentarians from across the political spectrum
- The report gained significant engagement from senior politicians, including a question being asked of the Prime Minister at Prime Minister's Questions. We are currently awaiting a formal response from the Department of Education (DfE)
- The launch day generated 249 items of coverage across 145 media outlets, reaching an audience of almost 10 million people across the UK, with the #Bercow10 hashtag trending on Twitter.

TCT Consortium

I CAN is a founding member and host of TCT. Established in 2007, TCT leads a consortium of over 50 not for profit organisations which all have an interest and focus on children and young people's communication. Working together, we support everyone who works with children and young people in England to support their speech, language and communication.

TCT works in partnership to influence policy changes that will affect children and young people with SLCN. We have collectively maximised our impact, collaborated with government and improved the support that is provided to children and young people and their families.

I CAN and TCT have responded to several government consultations designed to lead to improvements in the support available to children with SLCN. These include:

- Education Select Committee's Life Chances Inquiry
- The Transforming Children and Young People's Mental Health Provision
- The Evidence-Based Early-Years Intervention Inquiry
- The Primary Assessment Consultation.

LOOKING FORWARD

I CAN is committed to ensuring that we improve the lives of children and young people with SLCN, by ensuring that they receive the help they need. Our Three Year Plan sets out our aspiration to double the number of children we help from 50,000 to 100,000.

We will achieve this over the coming year by:

Supporting children and young people's speech, language and communication needs to ensure they get the help they need

- Our target outcomes include working with, at least, 100,000 children and young people with SLCN through our direct work, in our two schools and through our licensed tutors delivering evidence-based interventions in mainstream schools

Bring about change to the services available to children with SLCN

- We will influence policy and decision makers to bring about positive changes that will ensure that the help and support that is available to children with SLCN and their families is fit for purpose

Focus on building strong partnerships and collaboration.

- We will continue to develop evidence based programmes and services that will ensure that children with SLCN are able to fulfil their potential
- Our outreach programme will work with schools to develop bespoke programmes that meets the needs of children

Continue to build a high-performing, efficient and agile organisation.

- We are implementing an integrated Customer Relationship Management and digital platform.

FINANCIAL REVIEW

Overview

The year 2017-18 was a year of consolidation and reflection for I CAN, and we finished with an operational deficit of £782,000 (2017: £619,000), which included £146,000 of redundancy costs (2017: £29,000). As a result, we have undertaken a fundamental review of the cost base across the charity, which we believe will ensure that we are in a stronger financial position in the long term.

Income fell by 5% to £7,433,000 (2017: £7,793,000) and expenditure decreased by 2% to £8,215,000 (2017: £8,412,000). The resulting operational deficit of £782,000 (2017: £619,000) was accompanied by investment performance of £73,000 loss (2017: £530,000 gain).

The reduction in income was principally due to a 32% (£342,000) decrease in donations and legacies, as the team underwent further restructuring this year. The Communication Trust's income increased by 3% to £715,000 (2017: £695,000) as it was awarded additional funds for a project training health visitors on children's speech, language and communication needs. Income from programme-related activities remained stable, as did income for our two specialist schools.

As the new team settled in this year, fundraising expenditure fell by 32% to £374,000 (2017: £548,000). Other charitable expenditure remains stable. However, this figure includes £185,000 of externally-funded investment in both IT infrastructure and strategy development to enable the Social Enterprise to grow beyond its current capabilities, and £146,000 of redundancy costs (2017: £29,000).

After the investment loss, the net decrease in total funds stands at £855,000 (2017: net decrease of £89,000).

Activity

Income generated by our two special schools, Meath and Dawn House, remains stable at £5,023,000 (2017: £5,045,000). This performance has been achieved despite large cohorts of planned leavers in July 2017 at both schools. Both schools continue to attract new pupils, with Dawn House actively developing its provision for pupils with the most complex needs.

In accordance with normal practices under the Statement of Recommended Practice (SORP) the schools have been allocated a share of overhead charges which can be seen in Note 5. This means that income from school activities as shown in the Statement of Financial Activities (SOFA) on page 17 is exceeded by expenditure on school activities. Account must also be taken of the amount of fundraised income relating to school activities (see note 14). Having regard to the overall objectives of the organisation, the Trustees are comfortable with this position.

Charitable expenditure on programme-related activities was £2,237,000 (2017: £2,294,000). This reflects our continuing success in attracting grant funding, which is enabling us to invest longer term in our infrastructure and to run projects that benefit children with speech, language and communication needs.

Fundraising

The economic climate continues to prove challenging, and the ground work we undertook last year to develop a strategy building long-term relationships with donors is beginning to bear fruit, but more slowly than had previously been hoped. This year, fundraising income decreased by 32% to £714,000 (2017: £1,056,000), impacted by the team not being in place throughout the year, compensated by expenditure which also reduced by 32% to £374,000 from last year (2017: £548,000).

Reserves Policy

I CAN maintains reserves to allow the Charity to continue to fulfil its objectives and withstand any period of financial uncertainty. The Trustees set a target level for unrestricted General Funds which the Charity aims to hold over the medium term. These funds provide a measure of financial stability to the Charity and thereby reinforce the reputation and ability of the Charity to deliver on promises.

Each year the minimum level of unrestricted General Funds is reviewed by the Trustees and consideration is given to the following when deciding the level of funds required:

- The level required to ensure the Charity can continue to meet its current and future commitments in the face of financial uncertainties, with a focus on income generation and the potential for unforeseen expenses.
- The level required to ensure the Charity has the flexibility to pursue new opportunities to further the charitable aims of the organisation as and when they arise.
- The level that could be needed should any of the major risks identified by the risk framework materialise.
- The level required for an orderly transfer or cessation of activities, in the extreme and unlikely situation, that a catastrophic event occurs which might otherwise have impacted the Charity's short term ability to meet its obligations to its beneficiaries, employees and creditors.

After careful assessment of the above, and in line with good governance practice, the Trustees have reviewed all identified risks and have concluded that the minimum level of General Funds should be £1,750,000 and that the current level of the General Funds at 31 March 2018 of £1,924,000 (2017: £2,333,000) provides an appropriate level of comfort in excess of the minimum.

Investments Policy and Performance

The primary objective of I CAN's investment policy is to maintain and enhance the value of funds to meet the Charity's short and long term requirements.

There was an investment loss of £73,000 (2017: £530,000 gain). During the year the Trustees authorised sales of investments totalling £1,000,000 (2017: £700,000) to cover cash flow needs. Following an investment review in May 2018, the Trustees decided to transfer the endowment holdings in order to achieve greater income returns.

Risk Management

The major risks to which the Charity is exposed have been identified and reviewed by the Trustees, and systems or procedures have been established to manage the risks.

A key risk evaluated by the Trustees concerns the financial stability of the Charity. This year, Trustees took positive action in carrying out the review of our cost base and of Social Enterprise strategy. The potential to improve the financial effectiveness of I CAN's social enterprise has been significantly improved this year through our two-year partnership with the Social Business Trust, who provide high-level expertise and advice through its pool of representatives from high quality financial and management firms, which has been recognised as a gift in kind within these statements.

Other key risks identified by Trustees include the DfE contract for the Communication Trust drawing to a close in 2018/19 after more than ten years, and the loss of key staff who are difficult to replace. These are being addressed through our financial and succession planning. Safeguarding and child protection will remain a key risk for I CAN as long as it manages special schools. Ad-hoc inspections by independent consultants will continue to take place at both schools during 2018 to mitigate this risk.

The following statements summarise the Charity's policy in managing identified forms of financial risk:

- **Price and cost risk:** The Charity negotiates the prices charged for its educational services with Local Authorities. The prices charged are based on the principles of cost recovery. The agreed prices are factored into our business plans and income forecasts. Costs are controlled by contract negotiations and competitive tendering with suppliers.
- **Credit risk:** Risk on amounts owed to the Charity by its customers is low, as the majority of debtors are Local Authorities.
- **Liquidity risk:** The Charity has no long term borrowings and covers all costs out of current income.
- **Cash Flow risk:** The Charity receives school fees in advance of providing the service and has investments which can be sold at short notice.

Structure, Governance and Management

The Charity is a company limited by guarantee and is governed by a Memorandum and Articles of Association which were last amended on 27 September 2017. I CAN operates in the United Kingdom of Great Britain and Northern Ireland.

Under company law the Trustees of the Charity are the Directors of the charitable company and together form the Council. Trustees are recruited by the Nominations Committee and are elected by the members for terms of three years, and may serve for two or exceptionally three such terms of office.

New Trustees are inducted into the Charity through a series of meetings with I CAN's Senior Management Team and, during the course of the year, new and existing Trustees meet to review the Charity's operations and plans.

To enable the Council to carry out its responsibilities in the most effective way it has established a number of sub-committees to focus on certain key areas as follows:-

	Number of Meetings held during year
Finance & Audit	4
Social Enterprise	4
Programme Development	4
Remuneration	1

The Trustees of the Charity meet at least four times a year and are responsible for making the major decisions relating to the running of the Charity. These decisions include approval of the strategy, of the annual budget and the approval of agreements material to the financial position of the Charity.

Operational decisions are made by the Chief Executive and the Senior Management of the Charity. The progress of the Charity against the strategic plan is monitored regularly by the Trustees.

Where the Charity charges for its services, the price is agreed with each purchasing authority and the prices charged are based on the principles of cost recovery. The agreed or anticipated prices are factored into business plans and income forecasts. Salary levels are set by reference to a job evaluation scheme that takes into account prevailing market rates. Salary changes are communicated to staff each year during the annual salary review process. Other costs are controlled by contract negotiations and competitive tendering with suppliers for major items of expenditure.

The credit risk on amounts owed to the Charity by its customers is low, as the majority of debtors are local authorities. The Charity has no long term borrowings and, if necessary, the investment portfolio could be realised at short notice.

I CAN's trading subsidiary, I CAN Services Limited, which provides educational services to children with communication needs, has been consolidated into I CAN's financial statements. The I CAN Consolidated Fund, the Countess of Meath Fund and the Ministering Children's League Fund are linked charities of I CAN Charity and have been amalgamated into I CAN's financial statements.

The Communication Trust (TCT) was founded by BT Better World Campaign, Afasic, Council for Disabled Children and I CAN. During the year TCT has received funding from the Department for Education (DfE). I CAN is hosting TCT and as such all TCT contracts are legally in the name of I CAN and are accounted for in the same way as any I CAN contract. The purpose of TCT is to raise awareness of the importance of speech, language and communication needs (SLCN) across the children's workforce and enable practitioners to access the best training and expertise to support all children's communication needs. I CAN Trustees delegate operational responsibility for TCT, including the appointment of a director of TCT, to a programme board consisting of the founding organisations. A Trustee, Mr Adrian Hosford, is the Chair of the Programme Board.

Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The significant activities undertaken to carry out our aims for the public benefit and our achievements measured against those aims are provided on pages 4 to 10 of this report.

Statement of Trustees' responsibilities

The Trustees (who are also directors of I CAN Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group 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 corporate and financial information included on the charitable company's website. 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' Report is approved:


- so far as the Trustee is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- 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 group and charitable company's auditors are aware of that information.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's Achievements, Performance & Future Plans on pages 4 to 10.

The Council of Trustees' Report (including the Strategic Report) was approved by the Council on 1 August 2018 and signed on its behalf by:



Huw Davies
Chair of Trustees



Stuart Shepley
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF I CAN CHARITY
Report on the audit of the financial statements

Opinion

In our opinion, I CAN Charity's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's 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 Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the consolidated and charity balance sheets as at 31 March 2018; the consolidated statement of financial activities, the consolidated statement of cash flow for the year then ended 31 March 2018 and the notes to the financial statements.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which 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 group's and parent charitable company'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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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. 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.

Council of Trustees' Report (including the Strategic Report)

In our opinion, based on the work undertaken in the course of the audit the information given in the Council of Trustees' Report (including the Strategic Report), for the financial year for which the financial statements are prepared is consistent with the financial statements; and Council of Trustees' Report (including the Strategic Report) has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Council of Trustees' Report (including the Strategic Report). We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, 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 group's and parent charitable company'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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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.

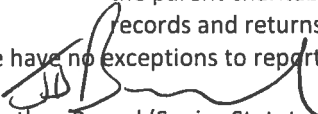
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 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
- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.


Jonathan Bound (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
1 August 2018

I CAN Charity – Company Number 00099629
Annual Report & Financial Statements for the Year Ended 31 March 2018

Consolidated Statement of Financial Activities for the Year ended 31 March 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000	2017 Total £'000
INCOME FROM :						
CHARITABLE ACTIVITIES						
Schools Activities		3,616	1,407	-	5,023	5,045
The Communication Trust (TCT)		42	673	-	715	695
Programme Delivery Activities		927	-	-	927	941
FROM GENERATED FUNDS						
Donations and Legacies	2	250	464	-	714	1,056
Investments	10	44	-	10	54	56
TOTAL INCOMING RESOURCES		4,879	2,544	10	7,433	7,793
EXPENDITURE ON:						
RAISING FUNDS						
Fundraising Costs	4	374	-	-	374	548
		374	-	-	374	548
CHARITABLE ACTIVITIES						
Schools Activities	4	3,340	1,683	28	5,051	5,085
Programme Related Activities (including TCT)	4	1,121	1,116	-	2,237	2,294
Awareness Raising & Information	4	532	21	-	553	485
		4,993	2,820	28	7,841	7,864
TOTAL RESOURCES EXPENDED	4	5,367	2,820	28	8,215	8,412
NET OUTGOING RESOURCES BEFORE OTHER RECOGNISED GAINS						
		(488)	(276)	(18)	(782)	(619)
(Loss)/profit on investment assets	10	(53)	-	(20)	(73)	530
NET MOVEMENT IN FUNDS		(541)	(276)	(38)	(855)	(89)
Fund balances brought forward at 1 April		3,438	583	2,754	6,775	6,864
Fund balances carried forward at 31 March	14, 15 & 16	2,897	307	2,716	5,920	6,775

The statement incorporates the Income and Expenditure account.

All recognised gains have been included in the Statement of Financial Activities and the amounts included are derived from the continuing activities of the Group.

I CAN Charity – Company Number 00099629
Annual Report & Financial Statements for the Year Ended 31 March 2018

Consolidated and Charity Balance Sheets as at 31 March 2018

	Notes	Group		Charity	
		2018	2017	2018	2017 Restated (Note 13)
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible Assets	9	1,489	1,608	1,489	1,608
Investments	10	3,984	5,057	3,984	5,057
		5,473	6,665	5,473	6,665
CURRENT ASSETS					
Debtors	11	985	1,075	502	458
Stock	12	240	361	240	361
Cash at Bank and in Hand		486	172	477	171
		1,711	1,608	1,219	990
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	(1,264)	(1,498)	(772)	(880)
		447	110	447	110
NET CURRENT ASSETS					
		447	110	447	110
TOTAL ASSETS LESS NET CURRENT LIABILITIES					
		5,920	6,775	5,920	6,775
ENDOWMENT FUNDS					
Endowment Funds	14	2,716	2,754	2,716	2,754
RESTRICTED FUNDS					
Fixed Asset Funds	15	76	79	76	79
Other Funds	15	231	504	231	504
		307	583	307	583
UNRESTRICTED FUNDS					
Designated Funds – Fixed Assets	16	973	1,105	973	1,105
General Funds	16	1,924	2,333	1,924	2,333
		2,897	3,438	2,897	3,438
TOTAL FUNDS					
		5,920	6,775	5,920	6,775

The deficit for the year within the Charity only financial statements is £855,000 (2017: £380,000 deficit).

The financial statements on pages 17 to 35 were approved by the Council on 1 August 2018 and signed on its behalf by



Huw Davies
Chair of Trustees



Stuart Shepley
Treasurer

I CAN Charity – Company Number 00099629
Annual Report & Financial Statements for the Year Ended 31 March 2018

Consolidated Statement of Cash Flow for the Year Ended 31 March 2018

	Notes	2018	2017
		£'000	£'000
Cash flows from operating activities			
Net cash used by operating activities	A	(683)	(750)
Cash flows from investing activities:			
Dividends and interest from investments		54	56
Proceeds from sale of property, plant and equipment		2	-
Purchase of property, plant and equipment		(59)	(96)
Proceeds from sale of investments		1,000	700
Net cash generated from investing activities		997	660
Change in cash and cash equivalents in the reporting year		314	(90)
Cash and cash equivalents at the beginning of the reporting year		172	262
Cash and cash equivalents at the end of the reporting year	B	486	172
		2018	2017
		£'000	£'000
Notes to the Consolidated Cash Flow Statement			
A Net expenditure for the reporting year		(855)	(89)
Adjustments for:			
Depreciation charges		177	214
Decrease/(Increase) in stock		120	(146)
Decrease/(Increase) in debtors		91	(141)
(Decrease)/Increase in creditors		(234)	(5)
Dividends and interest from investments		(54)	(56)
Losses/(gains) on investments		73	(530)
(Profit)/loss on disposal of fixed assets		(1)	3
Net cash outflow from operating activities		(683)	(750)
		2018	2017
		£'000	£'000
B Analysis of cash and cash equivalents			
Cash in hand		486	172
Total cash and cash equivalents		486	172

1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, under the historical cost convention (as modified by the revaluation of certain fixed assets) on a going concern basis and in accordance with applicable United Kingdom Accounting Standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published (revised 2015), the FRS 102, in accordance with the Companies Act 2006 and the Charities Act 2011. The financial statements are prepared on a going concern basis and the accounting policies have been applied consistently.

(i) The Charity is a public benefit entity.

(ii) Income

Income is shown gross with the exception of funds raised by local fundraising groups, which is stated after deduction of direct expenses such as hire of premises and ticket printing costs.

Income is analysed by source and by those constraints placed on it as follows:-

Endowment income	-	Income which increases the capital value of the endowment funds.
Restricted income	-	Income, the expenditure of which is subject to specific conditions placed on its use by the donor.
Unrestricted income	-	Income which has no constraints placed on its use and may be expended on any of the Charity's charitable objectives.

Investment income from endowment funds is accounted for as unrestricted, restricted or endowment income as defined by the terms of the endowment.

Income is accrued and included in the SOFA when the Group is entitled to the income, receipt can be measured and is probable.

Income from the sale of goods and services is recognised to the extent that the goods and services have been provided. If a grant contract contains the right to receive periodic payments, these receipts are recognised when they fall due and on completion of I CAN's contractual obligations for the period.

Donations are recognised when received. Donations in kind are recognised at their value to the Group when received and an equivalent amount is included in the appropriate cost line in the SOFA. Legacies are recognised when probate has been granted and the income can be valued with reasonable certainty. Legacies received in the form of property or investments are valued at their fair value.

Where incoming resources are received before goods and services have been provided, these are recorded as deferred income within creditors. Deferred income is released to incoming resources at the point of delivery of the goods and services.

(iii) Funds

Funds are held in reserves having due regard to the requirements of the donor and the needs of the organisation.

Endowment Funds represent funds, the capital of which is not freely available to I CAN and must be held in perpetuity unless otherwise authorised by the Charity Commission, or so permitted by the trust under which the fund was set up. These funds cannot normally be used to directly support general running costs. Please see (viii) below for further detail on linked endowment funds.

Restricted Funds represent the balances of donations and legacies held in trust and which can only be expended in accordance with the specific terms laid down by the donors.

Fixed Asset Funds represent amounts already expended on fixed assets all of which are used to support the work of the Charity. These assets include freehold and leasehold properties as well as equipment and motor vehicles.

Designated Funds are identified by Trustees for approved expenditure for schools development and specific projects critical to the operation and development of the Charity.

General Funds are the only funds the Charity has to use freely for the day-to-day needs of the Charity and to provide protection against future risks, including reductions in voluntary income, investment income fluctuations and variations in other revenue streams. The Trustees have set a minimum level of reserves at £1,750,000 based on their evaluation of I CAN's requirements.

Where required, transfers are made between funds as set out in Notes 14 to 16.

(iv) Expenditure

Expenditure is accounted for on an accruals basis. Expenditure includes attributable VAT which cannot be recovered. Provisions are established when the Charity is subject to legal or constructive obligations and will incur costs in the fulfilment of these obligations.

Fundraising costs are those costs which are directly incurred by the Charity in performing fundraising activities. They also include an equitable share of support costs and general overheads.

Costs incurred in support of the services provided by the Charity have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs comprise those incurred in the governance of the Charity and are primarily associated with strategic planning, constitutional and statutory requirements.

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

(v) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and held on the balance sheet at purchase cost. Depreciation is provided on tangible assets to write them off over their estimated useful lives as follows:-

Freehold Property	50 years
Leasehold Property	Life of lease
Buildings & Renovations	10 years
Equipment & Motor Vehicles	4 years
IT equipment	3 years

(vi) Investments

Investments are stated at market value. Unrealised gains or losses are derived from the movement in market value during the year.

(vii) Stock

Stock is valued at the lower of cost and net realisable value, and is used on a first in, first out basis.

(viii) Capital Funds

Included with Endowment Funds are Capital Funds which are assets held on behalf of three trusts which are constituted as linked charities of I CAN, as per a direction made under Section 12 of the Charities Act 2011. The results of two permanent endowment funds, I CAN Consolidated Fund and Ministering Children's League, and the expendable endowment fund, the Countess of Meath Fund, have been

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

amalgamated into the Charity's financial statements. Their Trustee is I CAN and their purposes are consistent with the objectives of I CAN (see Notes 10 and 14 for detail of these linked charities).

(ix) Pensions

Pension contributions are made under defined contribution schemes, the assets of which are held in separately administered funds. Pension contributions are charged to the Statement of Financial Activities when payable.

Pension fund contributions for teaching staff are also made to the Teachers' Pension Scheme which is treated as if it were a defined contribution scheme under exemptions contained in FRS102 as described further in Note 22 below. These contributions are charged to the Statement of Financial Activities in the accounting period in which they fall due.

(x) The Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Cash Flow Statement include the financial statements of I CAN and its subsidiary undertaking, I CAN Services Limited, made up to 31 March 2018 using the acquisition method of accounting on a line by line basis. Intra group transactions and profits are eliminated fully on consolidation.

(xi) The Charity has adapted the Companies Act formats to reflect the Charities SORP (FRS 102) and the special nature of the Charity's activities. No separate Statement of Financial Activities has been presented for the Charity alone as permitted by the Companies Act 2006 and the Charities SORP (FRS 102).

2. Donations and Legacies

	2018	Restated 2017
	£'000	£'000
Grant Making Trusts	475	480
Legacies	105	27
Major Gifts	46	149
Corporate Donations and Sponsorship	17	285
Other Donations and Events	71	115
	714	1,056

Following a review of the sources of donations and legacies the allocation of the total figure in the 2017 comparative has been restated.

Included in income above are donations from Trustees and key management personnel of £27,000 from five individuals (2017: £20,937 from seven individuals).

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

3. Statutory Grants

	2018	2017
	£'000	£'000
Department for Education (DfE)		
Host Agency Grant for TCT	649	650
School Grants (Education Funding Agency)	1,340	1,344
	1,989	1,994

These grants have been analysed in the SOFA as follows:

	2018	2017
	£'000	£'000
Schools Activities	1,340	1,344
TCT	649	650
	1,989	1,994

4. Analysis of Expenditure

	Staff Costs	Other	Depreciation	2018 Total
	£'000	£'000	£'000	£'000
Direct charitable expenditure				
Schools	4,156	727	168	5,051
Programme Delivery Activities (including TCT)	1,366	864	7	2,237
Awareness Raising & Information	384	168	1	553
	5,906	1,759	176	7,841
Costs of Generating funds				
Fundraising	292	81	1	374
	6,198	1,840	177	8,215

	Staff Costs	Other	Depreciation	2017 Total
	£'000	£'000	£'000	£'000
Direct charitable expenditure				
Schools	4,131	775	179	5,085
Programme Delivery Activities (including TCT)	1,534	739	21	2,294
Awareness Raising & Information	372	106	7	485
	6,037	1,620	207	7,864
Costs of Generating funds				
Fundraising	403	138	7	548
	6,440	1,758	214	8,412

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

	2018	2017
	£'000	£'000
Staff costs:		
Wages and Salaries	4,939	4,926
Social Security costs	412	475
Other pension and benefit costs	313	333
Agency staff and consultants	284	384
Other staff costs	250	322
	6,198	6,440

Included in the above figures were 15 redundancy payments totalling £146,000, of which £52,000 was paid in the year and £94,000 was accrued. (2017: 6 payments totalling £29,000).

The average number of employees during the year was 188 (2017: 191). Their full time equivalents would be 160 (2017: 160) which can be apportioned by categories as follows: educational services 143 (2017: 140), fundraising and awareness raising 10 (2017: 13) and administration 7 (2017: 7).

	Number in 2018	Number in 2017
Emoluments of higher paid employees:		
£60,000 to £70,000	4	3
£70,001 to £80,000	3	2
£80,001 to £90,000	1	-
£91,001 to £100,000	1	-

In 2018, emoluments of higher paid employees included payments made to four individuals in connection with redundancy totalling £65,000. There were none in 2017.

There were no contributions made to the Teachers' Pension Scheme for higher paid employees (2017: £17,000 for 2 higher paid employees). Contributions of £32,000 (2017: £25,000) were paid to a defined contribution scheme for 7 (2017: 3) higher paid employees.

Key management personnel

Key management personnel of the Charity are the Senior Management Team as listed on page 36. The total amount of employee benefits for these 9 (2017: 8) positions was £658,000 (2017: £490,000), including £39,000 accrued redundancy pay.

5. Allocation of Support Costs

	Occupancy	Human Resources	Finance and Information Technology	Governance (note 6)	2018 Total
	£'000	£'000	£'000	£'000	£'000
Fundraising	49	3	17	4	73
Activity					
Schools	-	96	177	109	382
Programme Delivery Activities	202	17	105	19	343
Awareness Raising & Information	82	6	24	6	118
	333	122	323	138	916

Support costs have been allocated to activity cost categories on a basis consistent with the use of resources. Occupancy costs have been allocated on a per capita basis, staff costs by an assessment of time spent and other costs by their usage.

	Staff Costs	Other	Depreciation	2018 Total
	£'000	£'000	£'000	£'000
Governance (note 6)	110	28	-	138
Occupancy	83	247	3	333
Human Resources	100	22	-	122
Finance and Information Technology	201	115	7	323
	494	412	10	916

The prior year comparatives are as follows:

	Occupancy	Human Resources	Finance and Information Technology	Governance (note 6)	2017 Total
	£'000	£'000	£'000	£'000	£'000
Fundraising	75	5	21	6	107
Activity					
Schools	-	116	184	110	410
Programme Delivery Activities	206	25	96	25	352
Awareness Raising & Information	79	7	18	7	111
	360	153	319	148	980

	Staff Costs	Other	Depreciation	2017 Total
	£'000	£'000	£'000	£'000
Governance (note 6)	109	39	-	148
Occupancy	84	249	27	360
Human Resources	101	52	-	153
Finance and Information Technology	197	114	8	319
	491	454	35	980

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

6. Governance Costs

	2018	2017
	£'000	£'000
Strategic planning and management	112	117
Auditors' remuneration – audit services	24	26
Auditors' remuneration – other services	2	5
	138	148

7. Consolidated Financial Statements

The Charity has taken advantage of the exemption provided by 408 of the Companies Act 2006 and the Charities SORP (FRS 102) not to publish its own Income and Expenditure account. The deficit for the year within the Charity financial statements is £855,000 (2017: £380,000 deficit).

8. Trustees' Remuneration

In accordance with the Charity's Memorandum of Association, no Trustee holds a salaried office with the Charity. In 2018, two Trustees received £4,400 for work performed in connection with the Communication Trust (2017: £nil). In 2018, 4 Trustees claimed travel and subsistence expenses for attendance at meetings of £1,534 (2017: 4 Trustees claimed £2,122).

9. Tangible Fixed Assets – Group and Charity

	Buildings & Renovations	Freehold Property	Leasehold Property	Equipment & Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2017					
Opening Balance	1,246	3,208	196	916	5,566
Additions	9	-	-	49	58
Disposals at cost	-	-	-	(18)	(18)
At 31 March 2018	1,255	3,208	196	947	5,606
Accumulated Depreciation					
At 1 April 2017					
Opening Balance	(1,068)	(1,894)	(196)	(800)	(3,958)
Charge for the year	(59)	(63)	-	(55)	(177)
Disposals	-	-	-	18	18
At 31 March 2018	(1,127)	(1,957)	(196)	(837)	(4,117)
Net book values at 31 March 2018	128	1,251	-	110	1,489
Net book values at 31 March 2017	178	1,314	-	116	1,608

Of the Freehold Property £382,000 (2017: £392,000) of the net book value relates to the Ministering Children's League fund, which is a permanent endowment. See note 14.

10. Investments – Group and Charity

	2018	Restated (note 13) 2017
	£'000	£'000
At 1 April 2017	5,057	5,227
Disposals	(1,000)	(700)
Realised gains	4	23
Net increase in unrealised gains	(77)	507
At 31 March 2018	3,984	5,057
Historical cost of investments	2,101	2,623

Included within the balance are investments and cash with a value of £2,335,000 (2017: £2,362,000). This relates to the Ministering Children's League Fund which is a permanent endowment fund. See note 14.

Investments in both years were held in managed UK investments funds. In 2018, £3,025,000 (2017, £4,110,000) were held in Open Ended Investment Companies (OEICs) with the balance being held in Common Investment Funds.

Investments also include an investment in the trading subsidiary company at a cost of £4. I CAN Charity owns 100% of the share capital of its trading subsidiary, I CAN Services Limited (ICSL). ICSL is incorporated in the UK and the address of the registered office is the same as that for I CAN Charity as shown on page 36.

Investment Income	2018	2017
	£'000	£'000
Dividends and interest on Listed Investments	54	56
	54	56

11. Debtors: Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Debtors for school fees	483	687	-	-
Other Trade Debtors	258	76	258	76
Other Debtors	27	10	27	10
Intra-Group Balances	-	-	-	70
Prepayments and accrued income	217	302	217	302
	985	1,075	502	458

In 2018, other trade debtors include £162,000 due from the DfE as it had been invoiced prior to the year end, whereas in 2017 this amount was included in accrued income.

12. Stock – Group and Charity

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Goods for resale	240	361	240	361
	240	361	240	361

Stock is stated after a provision for impairment of £75,000 (2017: £53,000).

13. Creditors: Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Creditors	125	199	125	190
Other creditors including tax and Social Security	286	416	286	416
Accruals	210	234	210	234
Intra-Group Balances	-	-	99	-
Deferred Income	643	649	52	40
	1,264	1,498	772	880

Deferred income relating to school fees of £609,000 (2017: £594,000) has been released in the year while further income of £591,000 (2017: £609,000) was deferred to the following year.

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

14. Endowment Funds – Group and Charity

	As at 1 April 2017	Income	(Expense)	Transfer to other funds	Investment Gains/ (Losses)	As at 31 March 2018
	£'000	£'000	£'000	£'000	£'000	£'000
Expendable Endowment						
Countess of Meath	56	-	(7)	-	-	49
Permanent Endowment						
Princess Alice Fund	333	7	(7)	-	(1)	332
I CAN Consolidated Fund	678	1	(1)	-	2	680
Ministering Children's League Fund	1,687	3	(13)	-	(22)	1,655
Total Group	2,754	11	(28)	-	(21)	2,716

Countess of Meath

Income is to be applied for the benefit of the schools.

Princess Alice Fund

The income may be used for the general charitable purposes of I CAN Charity.

The **I CAN Consolidated Fund**, **Ministering Children's League Fund** and the **Countess of Meath Fund** are linked charities of I CAN Charity and have been included within the Charity funds above. Income may be used for any general charitable purpose of I CAN Charity.

With the exception of the Countess of Meath endowment, only income from the endowment funds may be expended by the Charity. The capital itself must be held in perpetuity unless otherwise authorised by the Charity Commission or so permitted under the trust under which the fund was set up. In 2017, £113,000 was transferred from Endowment Funds to General Funds to reflect depreciation of the fixed asset (freehold property) that is associated with this endowment fund.

Prior Year Adjustment

In line with the guidance issued by the Charity Commission, given the linked charities noted above are not incorporated as limited companies, their results have been included within the Charity rather than treated as subsidiary entities.

The restatement of the prior year figures has had no impact on the reported group numbers but has increased the balances of the Charity as follows:

	Previously reported £'000	Restated £'000
Tangible assets	1,216	1,608
Investments	3,271	5,057
Cash	58	171
Endowment funds	463	2,754
Total funds	4,484	6,775

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

15. Restricted Funds – Group and Charity

	As at 1 April 2017	Restricted Income	Restricted Expenditure	Transfer between funds	As at 31 March 2018
	£'000	£'000	£'000	£'000	£'000
Fixed Asset Funds					
Dawn House School	38	-	(14)	-	24
Meath School	8	-	(8)	-	-
Meath School Minibus	-	1	(9)	34	26
Meath Woodlands project	33	-	(7)	-	26
	79	1	(38)	34	76
Other Funds					
Children's funds					
Dawn House school fundraised funds	1	32	(31)	-	2
Dawn House school restricted income	4	785	(785)	-	4
Dawn House Assessments Hardship fund	8	6	(14)	-	-
	13	823	(830)	-	6
Meath School fundraised funds	98	90	(88)	-	100
Meath School restricted income	18	621	(639)	-	-
Meath Residential Centre	153	-	(54)	-	99
Meath School Minibus	34	-	-	(34)	-
Meath Assessments Hardship fund	38	10	(34)	-	14
	341	721	(815)	(34)	213
Enquiry Service	-	29	(29)	-	-
Programme funding					
Tots Talking	128	48	(176)	-	-
Talk about Talk Secondary	-	28	(28)	-	-
Social Business Trust grant	-	122	(122)	-	-
I CAN other projects	15	100	(106)	-	9
TCT DfE contract	-	649	(649)	-	-
TCT DfE Health Visitors project	-	23	(20)	-	3
TCT other projects	7	-	(7)	-	-
	150	970	(1,108)	-	12
	504	2,543	(2,782)	(34)	231
Total Restricted Funds	583	2,544	(2,820)	-	307

Fixed Asset funds

Dawn House School – Funds raised for Dawn House School buildings and equipment

Meath School – Funds raised for Meath School buildings and equipment

Meath minibus – Funds raised for a minibus for Meath School

Meath Woodlands – Funds raised for a woodlands project at Meath School

Other Funds

Children's Funds – Funds received to support children up to 19 years old.

Dawn House School fundraised funds – Funds for Dawn House School to spend to benefit Dawn House School and pupils.

Dawn House School income restricted for specific purposes. This includes funding from the Education Funding Agency and the amounts of pupil premium received.

Dawn House Assessments Hardship funds – Dawn House hardship funds used to pay for assessments of children who meet the criteria for access to the fund where the Local Authority will not fund assessment.

Meath School fundraised funds – Funds raised to benefit Meath School and pupils. This includes £12,000 received from BBC Children in Need for summer activities.



Meath school income restricted for specific purposes – This includes funding from the Education Funding Agency and the amounts of pupil premium received.

Meath Residential Centre – Funds to be spent on the Meath Residential Centre to provide after hours and overnight care for pupils.

Meath Assessments Hardship funds – Meath hardship funds used to pay for assessments of children who meet the criteria for access to the fund where the Local Authority has refused to pay.

Enquiry Service – Funds to support the enquiry service helpline, which provides specialist speech and language therapist advice to parents about their children’s communication needs.

Programme funding

Tots Talking – Funding received towards a pilot working with parents to help develop children’s early language and communication skills in areas of high social disadvantage. £48,000 (2017: £nil) was received from the Big Lottery for this project.



Talk About Talk Secondary – Funds received for the development of a project to support secondary pupil’s communication skills in preparation for the workforce.

Social Business Trust – Funds received along with professional support worth £92,000 (as advised by SBT) in areas including strategy, legal and IT, to help grow the Social Enterprise and implement its strategy.



I CAN other projects – Money received for smaller specified pieces of work within I CAN’s aims.

The Communication Trust Department for Education Contract – Speech, Language and Communication Needs Contract

The Communication Trust Early Voices programme – Funds donated by Big Change to increase health visitors’ knowledge in early speech, language and communication development in order to achieve higher impact with the families that they work with.

TCT other projects – Funds raised for the development and roll out of programmes to support children with communication needs.

I CAN Charity – Company Number 00099629
Notes to the Financial Statements for the Year Ended 31 March 2018

16. Unrestricted Funds – Group and Charity

	As at 1 April 2017	Income	(Expenditure)	Investment Gains	As at 31 March 2018
	£'000	£'000	£'000	£'000	£'000
Designated: Fixed Asset Funds					
Schools	1,104	-	(132)	-	972
Trading Activities	1	-	-	-	1
	1,105	-	(132)	-	973
General Funds	2,333	4,899	(5,256)	(52)	1,924
Total Unrestricted Funds	3,438	4,899	(5,388)	(52)	2,897

Designated Fixed Asset Funds

Net book value of the fixed assets used for the delivery of the Charity's direct charitable activities (not otherwise funded by Capital or Restricted Funds).

17. Analysis of Net Assets – Group and Charity

	General Funds	Designated Fixed Asset Funds	Restricted Funds	Endowment Funds	As at 31 March 2018 Total
	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	58	973	76	382	1,489
Investments	1,912	-	-	2,072	3,984
Net current assets/(liabilities)	(48)	-	232	263	447
Total net assets	1,922	973	308	2,717	5,920

	General Funds	Designated Fixed Asset Funds	Restricted Funds	Endowment Funds	As at 31 March 2017 Total
	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	32	1,105	79	392	1,608
Investments	2,965	-	-	2,092	5,057
Net current assets/(liabilities)	(664)	-	504	270	110
Total net assets	2,333	1,105	583	2,754	6,775

18. Prior year comparator for SOFA

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
INCOME FROM:				
CHARITABLE ACTIVITIES				
Schools Activities	3,659	1,386	-	5,045
The Communication Trust (TCT)	45	650	-	695
Programme Delivery Activities	941	-	-	941
GENERATED FUNDS				
Donations and Legacies	315	741	-	1,056
Investments	19	-	37	56
TOTAL INCOMING RESOURCES	4,979	2,777	37	7,793
EXPENDITURE ON:				
RAISING FUNDS				
Fundraising Costs	548	-	-	548
	548	-	-	548
CHARITABLE ACTIVITIES				
Schools Activities	3,377	1,653	55	5,085
Programme Related Activities (including TCT)	1,287	1,007	-	2,294
Awareness Raising & Information	382	103	-	485
	5,046	2,763	55	7,864
TOTAL RESOURCES EXPENDED	5,594	2,763	55	8,412
NET (OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS	(615)	14	(18)	(619)
Net gain on Investment	293	-	237	530
Transfer between funds	113	-	(113)	-
NET MOVEMENT IN FUNDS	(209)	14	106	(89)
Fund balances brought forward at 1 April	3,647	569	2,648	6,864
Fund balances carried forward at 31 March	3,438	583	2,754	6,775

19. Commitments under Operating Leases and Capital Commitments

On 16 April 2015 a new 10 year lease was signed between I CAN Charity and the landlord with annual rental of £132,000. This included a 4 month rent free period as the first payment was due from 16 August 2015. The value of the rent free period has been spread over the ten year period of the lease. The lease includes a break clause after the first 5 years. The total value of the future minimum lease payments under the non-cancellable operating lease for 31 Angel Gate is £255,000. A total of £128,000 has been recognised in the financial statements as the lease payments for the 2018 year (2017: £128,000).

	2018	2017
	£'000	£'000
Payment not later than one year	128	128
Payment later than one year and not later than five years	127	255
Payment later than five years	-	-
Total commitments under operating lease	255	383

The charity also had capital commitments of £12,000 at 31 March 2018 (2017: £0).

20. Capital

The Company is limited by guarantee and has no share capital. The liability of the 18 members under the guarantee is limited to £1 each.

21. Related Party Transactions

In accordance with paragraph 33.1A of FRS 102, the Charity is not required to disclose related party transactions with entities that are wholly owned members of the I CAN Charity Group. There are no other transactions with related parties in 2018 (2017: £nil).

22. Pension Obligations

The Group participates in 2 pension schemes:

- (i) The Teachers' Pensions Scheme (TPS); and
- (ii) A Defined Contribution Scheme, being a Group Personal Pension Plan provided by Aviva.

The total pension cost for the group was £297,000 (2017: £316,000). Of this, £81,000 (2017:£ 90,000) related to the Charity.

Teachers' Pensions Scheme

The TPS is an unfunded defined benefit scheme. Contributions on a 'pay as you go' basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972.

The latest actuarial review of the TPS for which information is available was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key results of the valuation are:

- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £14.9 billion;
- employer contribution rates were increased from 14.1% to 16.48% of pensionable pay (including administration fees of 0.08%) with effect from 1 September 2015.

As noted above, from 1 April 2015 employer contributions were 14.1%, increasing to 16.48% from 1 September 2015. Employee contributions in 2018 and 2017 were based on tiered contribution rates as follows:

Contribution rate	2017-18		2016-17	
	Lower salary	Higher Salary	Lower salary	Higher Salary
7.40%	0	26,259	0	25,999
8.60%	26,260	35,349	26,000	34,999
9.60%	35,350	41,914	35,000	41,499
10.20%	41,915	55,549	41,500	54,999
11.30%	55,550	75,749	55,000	74,999
11.70%	75,750	75,750 +	75,000	75,000 +

Under the definitions set out in FRS 102 section 28, the TPS is a multi-employer pension scheme. The Government Actuary is unable to identify the Charity's share of the underlying assets and liabilities of the scheme. Accordingly, the Charity has accounted for its contributions as if it were a defined contribution scheme.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Office and Registered Office

I CAN Charity	Company limited by guarantee
31 Angel Gate	Registered in England
Goswell Road	Company Registered Number 00099629
London	England and Wales Charity Registered Number 210031
EC1V 2PT	Scottish Charity Registered Number SC039947
T: 020 7843 2510 E: info@ican.org.uk Web: www.ican.org.uk	

PATRON: HM The Queen

VICE PRESIDENTS

His Grace The Lord Archbishop of Canterbury	Sir John Craven
His Grace The Lord Archbishop of York	Ms. Frances Jacob
The Rt Rev The Lord Bishop of London	Mrs. Lesley James CBE
Mrs. Susan Blackwood	Mr. Oliver Thompson
Mr. Donald Chilvers to 30.08.2017	

THE COUNCIL

	Date Elected	Position	Sub-Committees
Mr. Huw Davies	10.09.2007	Chair	Finance & Audit, Programme Development, Social Enterprise Finance & Audit
Mr. Stuart Shepley	Co-opted from 21.09.2016 Elected 27.09.2017	Treasurer	Finance & Audit
Mr. Oliver Bates	21.09.2016		Finance & Audit
Dr. Judy Clegg BSc, PhD, MRCSLT	21.09.2016		Programme Development
Ms. Susan Gregory	25.09.2014		Programme Development, Social Enterprise
Ms. Jean Gross CBE	20.09.2012		Programme Development
Mr. Christopher Holder	20.09.2012	Retired 06.10.2017	
Mr Henry Grafton Grattan	20.09.2012	Retired 04.09.2017	
Mr. Adrian Hosford	16.09.2010		
Prof. Victoria Joffe MRCSLT MHPC	16.09.2010		Programme Development
Mrs. Katharine Weston	10.09.2009		
Mr. Riccardo Basile	27.09.2017		Social Enterprise Committee

SENIOR MANAGEMENT TEAM

Chief Executive	Mr. Bob Reitemeier CBE
Director of Business Development	Mrs. Clare Geldard
Director of Corporate Services	Mr. Steve Williams from 24.04.17
Director of Education	Ms. Deirdre Fitzpatrick from 05.06.17
Director of Philanthropy	Ms. Ann Paul from 10.07.17
Director of Regional Development	Ms. Kate Freeman to 31.03.2018
Principal of Dawn House Centre	Ms. Jenny McConnell
Principal of Meath Centre	Ms. Janet Dunn OBE
Director of The Communication Trust	Ms. Octavia Holland to 31.03.2018

SOLICITORS

Bates Wells Braithwaite
 10 Queen Street Place
 London EC4R 1BE

BANKERS

The Co-operative Bank
 1 Islington High Street
 London N1 9TR

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
 One Kingsway
 Cardiff CF10 3PN

THANK YOU

A big thank you to all our runners, trekkers, cyclists and others who have raised money for I CAN. You are an inspiration to us all.

Generous Donors

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Big Lottery Fund
Frances Jacob
John Horniman's Children's Trust
Lancashire Foundation
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The Thomas Farr Charity
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