

**helps children  
communicate**

## **Annual Report and Financial Statements**

**For the Year Ended 31 March 2019**

**I CAN Charity  
Company Limited by Guarantee  
Charity Founded In 1888  
Registered under the Charities Act 1960  
Company Registered Number 00099629  
England and Wales Charity Registered Number 210031  
Scottish Charity Registered Number SC039947**

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**REPORT FROM THE CHAIRMAN AND CHIEF EXECUTIVE**

Welcome to the I CAN Annual Report and audited Financial Statements for 2018-19.

We live in an increasingly uncertain political and economic climate. For those children and young people with communication difficulties, making sense of the constant barrage of changes we are all living through is an even greater challenge.

That is why it is so important to support children and their families who find communication difficult. It is also why the past year has been one of vigorous activity and progress for I CAN.

There have been many highlights, as you will discover over the following pages of this report. One of the key headlines of the year was the first anniversary update of *Bercow – Ten Years On*, our report in partnership with the Royal College of Speech and Language Therapists (RCSLT).

The report has played a crucial role in moving the Government to acknowledge the importance of early language development for children and since its publication 17 of the 47 recommendations have now been completely achieved, with several others well on their way to being realised. Although we have achieved a lot to improve the services available for children and young people with speech, language and communications needs (SLCN), there is still more to do.

As well as progressing the Bercow report's recommendations we have continued our important work of supporting children with SLCN. I CAN's Talk Boost series of language interventions, for example, reached over 76,000 children this year – helping them to make big strides in their communication skills and self-confidence.

We secured funding for several new projects and training programmes – more than in any recent year, while both of our special schools were again lauded by Ofsted for their outstanding education, and good or outstanding residential care.

The last 12 months have been a time of financial regeneration for I CAN. We addressed our financial position with a comprehensive reorganisation and a fresh focus on building new partnerships and renewing and reinvigorating existing ones – an effort that stabilised our finances and resulted in an operational surplus.

The result of these efforts is that I CAN is now in a strong position to meet the challenges and opportunities for the coming years. In the coming year we will, for example, achieve the objective to help over 100,000 children with SLCN by 2020 – an aim outlined in our Three-Year Plan, launched in 2017.

Of course, none of these achievements would have been possible without the support of our donors, funders, supporters and volunteers, and the passion and commitment of I CAN staff. We look forward to your continued support as we continue our mission to ensure that no child is left out or left behind because of difficulties speaking or understanding.



**Huw Davies**  
**Chair of Trustees**



**Bob Reitemeier**  
**Chief Executive**

## **REPORT OF THE COUNCIL OF TRUSTEES**

### **CHAPTER 2 - Picture of SLCN in UK**

More than 1.4 million children and young people in the UK have speech, language and communication needs (SLCN).

That's 1.4 million individuals who struggle to develop the speech, language and communication skills that are a crucial foundation for life.

- Skills that are essential for brain development in the early years and our attachment to others.
- For expressing ourselves and understanding others.
- For thinking and learning.
- And for social interaction and emotional wellbeing in school, in society and in the workplace.

It's a huge challenge, yet the importance of these skills is still widely underestimated and under resourced.

Language delay alone is one of the most common disorders of childhood, affecting almost a tenth of all children and young people. This number can rise to more than half in areas of social disadvantage.

Poor understanding of SLCN and insufficient resourcing means that for too many children and young people, inadequate, ineffective and inequitable support is the reality.

It's a situation that affects their education, their chances of getting a job and their mental health.

So exactly how does SLCN affect children and young people at the various stages of their journey, from infancy to entering the workplace?

#### **SLCN in early years**

Language at age two predicts a child's reading, maths and writing ability when they start school.

It's also the single most important influence on literacy levels at age 11. In fact, early language is more important than behaviour, peer relationships, emotional wellbeing, positive interaction and attention.

#### **Key facts**

- Nearly half of early years practitioners (49%) receive little or no learning around typical speech, language and communication development in their initial training – even though it is a mandatory part of the Early Years Educator (Level 3) qualifications criteria
- Parents rate children's speech and language skills as the most important factor in the early learning and development of their child, yet only 27% know how many words their child should know at age two-and-a-half

#### **Impact**

- Children with weak language skills at age five are over four times more likely than their peers to have poor levels of reading at 11

#### **SLCN in school**

A child's vocabulary at age five is a strong predictor of the qualifications they will achieve when they leave school.

Early language skills influence children's attainment throughout primary school, regardless of family background. The most important factor in reaching the expected levels in English and maths at age seven is children's language skills at age five – a greater influence than poverty or poor parental education.

### **Key facts**

- More than half of children with a language disorder miss out on the crucial support they need because they are not being identified by schools
- In a national survey of over 2,500 professionals, only 15% reported speech and language therapy was available as required

### **Impact**

- Young people with SLCN are four times less likely to achieve a grade four to nine GCSE pass than their peers

### **SLCN and looked after children**

Many looked after children often fail to develop the secure attachments enjoyed by other children. For these children language development is slower; they have fewer words to express their thoughts and feelings and poor 'inner language' which controls emotions.

Looked after children are also less likely to access pre-school education – an important factor in developing early communication skills.

### **Key facts**

- Children in care are more likely to have speech, language and communication needs than other children but they are often not identified; in one service 62% of its looked after children had communication needs but only two of the children had seen a speech and language therapist
- There's a strong likelihood that looked after children will miss out on services to support them such as speech and language therapy

### **Impact**

- A child's ability to manage transitions such as a school move can be affected if they find it difficult to recount events, thoughts and feelings coherently

### **SLCN and mental health**

Research shows that good communication skills help children and young people build and maintain relationships, understand and express their feelings and emotions – and solve problems.

### **Key facts**

- 45% of young people referred for mental health services have communication difficulties
- High numbers of young people with mental health needs or behavioural difficulties have SLCN that have been missed earlier in their lives

### **Impact**

- Children with SLCN in the preschool and early primary years are around twice as likely to develop social, emotional and mental health difficulties as children with typical language development, when followed up over time

### **SLCN and social mobility**

Evidence shows that it's harder for poor children who start off with delayed language development to escape poverty. Even if a poor child starts well at age five, by age seven they will be overtaken by less bright children from better-off families.

Good language skills help children to engage with school and do well because they are linked closely with attainment and the development of good social skills.

### **Key facts**

- At age 3 a child in the lowest income group was on average 17.4 months behind with their language development compared to a child in the highest income group
- Children from low income families are almost a year behind their peers in vocabulary by the time they start school, the largest gap of all the cognitive skills

### **Impact**

- By age five, three quarters of children who experience poverty persistently throughout their early years fall below average in their language development – more than double the percentage of children who never experience poverty

### **SLCN and offending**

Young people with SLCN are over-represented in the youth justice system.

### **Key facts**

- Over 60% of young people accessing youth justice services have speech, language and communication needs which are largely unrecognised
- 35% of offenders have speaking and listening skills below those of an 11-year-old

### **Impact**

- Around 40% of offenders find it difficult to access or benefit from intervention programmes they receive as part of a sentence or order which are verbally mediated, such as anger management, substance misuse or drug rehabilitation

### **SLCN and employment**

Young people with SLCN are less likely to find employment. According to a recent survey, employers and schools said that good communication was one of the most important skills needed for young people entering their first job.

### **Key facts**

- Early language difficulties at five are linked with poorer employment outcomes at age 34
- 88% of long-term unemployed men have speech, language and communication needs

### **Impact**

- One report estimates that by 2020 over half a million UK workers will be held back by 'soft skills' deficits, including communication and interpersonal skills

### **CHAPTER 3 - Who we are**

I CAN is the children's communication charity. Our mission is to make sure that no child is left out or left behind because of difficulties speaking or understanding.

Communication is the most fundamental life skill for children and young people. Their ability to learn and to develop friendships depends upon it.

But many face an uphill struggle. Almost 10% of all children and young people in the UK – more than 1.4 million - have speech, language and communications needs (SLCN).

The challenge is even greater in deprived areas, where more than 50% of children have delayed language.

A lack of knowledge and resources means that too many children and young people with SLCN don't get enough appropriate support.

This affects their educational outcomes, their employability and their mental health.

I CAN is here to change that.

#### **What we do**

- Run two residential special schools to support children and young people with the most severe and complex language needs
- Create and distribute programmes to support individual and groups of children with delayed language – currently used in over 5,000 nurseries and schools across the country
- Support 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 website, supporting over 1.2 million people each year
- Manage The Communication Trust (TCT), a membership body of over 50 organisations that support children and young people's communication needs
- Provide clear and strong 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
- Partner with other organisations to campaign for better information, advice and services for the hundreds of thousands of children and their families not receiving the speech, language and communication support they need

#### **CHAPTER 4 - Supporting communication development**

One per cent of all children and young people have the most severe and complex speech, language and communication needs.

They struggle to make sense of the language they hear, to express themselves and be heard. Everyday activities such as playing with friends, asking a question in class or talking to their parents about how they feel are a daily challenge.

These children may need the high level of support provided by I CAN's two special schools, Dawn House School and Meath School.

These centres of excellence - both rated 'outstanding' by Ofsted - provide high quality care, education and therapy so that children and young people aged 4-19 can fulfil their potential.

By focusing on each pupil's individual needs, regardless of their complexity or severity, our schools help their children become confident, independent people who are well prepared for the next stages of their lives.

##### **Dawn House School**

Dawn House in Nottinghamshire is a day and residential non-maintained special school providing intensive and specialist support for children and young people aged 5-19 with speech and language disorders including Autism Spectrum Disorders.

##### **Key successes**

- Funding secured for an ambitious new careers programme
- Improved student numbers, particularly in Dawn House's CHIMES alternative resource centre and primary provision, making it one of the 'go to' providers for specialist provision in the area
- Remains 'outstanding' for educational provision by Ofsted and rated 'good' in a residential inspection
- 100% of Dawn House pupils go on to further education, employment or independent living

##### **Meath School**

Meath School in Surrey is a day and residential school providing teaching, therapy and care to children aged 4-11. Meath is one of a very few schools in the UK for primary aged children with speech, language and communication needs (SLCN), including Autism Spectrum Disorders.

##### **Key successes**

- The school's residential setting rated 'outstanding' for the 12th consecutive inspection by Ofsted. Education provision also maintains its 'outstanding' rating
- New headteacher joined Meath School in September and a new family support worker is helping the school further improve the way it works with families
- Almost three quarters of Meath pupils achieved or exceeded their individual speech and language targets
- Safeguarding processes further strengthened with a new IT tracker system and advanced training



## **Our Intervention programmes**

### **Early Talk Boost**

Early Talk Boost is an intervention for early years practitioners working with groups of three to four-year-olds with delayed language. It is designed to boost children's language and communication skills in a nine-week intervention.

- 62% of children reached expected levels in attention and listening, essential foundation skills for early communication and language, compared with 19% before the programme
- 62% of children reached expected levels in understanding words and sentences, compared with 24% before the programme

### **Early Voices**

Funded by Big Change, Early Voices is a brand-new programme which helps health visitors to increase their knowledge of early speech language and communication development. They go on to complete a fully funded Level 3 Award in speech, language and communication and then share their learning with colleagues.

- 93% of health visitors rated the training day as 'very useful'
- 89% of health visitors left feeling confident in carrying out their roles

### **Talk Boost Key Stage 1**

Supports four to seven-year-olds with delayed language, including Reception class children. Classroom teachers and teaching assistants are trained to deliver a 10-week programme that boosts children's language and communication progress by an average of nine to 18 months.

- 81% of children reached expected levels in their ability to talk in sentences, compared with 32% before the programme
- 85% of children reached expected levels in understanding and using vocabulary, compared with 35% before the programme
- 79% of children reached expected levels in understanding language, compared with 25% before the programme

### **Talk Boost Key Stage 2**

An eight-week intervention that accelerates the progress of seven to ten-year-old children in language and communication. It helps teachers and teaching assistants develop their awareness of speech, language and communication and typical language development in Key Stage 2, understand how to identify children who require support, measure their progress and use the resources.

- 67% of children reached expected levels in their ability to listen carefully, a vital skill for understanding what is happening in the classroom, compared with just over 30% before the programme
- 61% of children were at expected levels in telling stories and explaining what has happened, compared with 22% before the programme
- 85% of children reached expected levels in understanding and using vocabulary, compared with 35% before the programme

### **Tots Talking**

Designed in partnership with parents and funded by the Big Lottery and ICAP, Tots Talking is a pilot programme designed to help parents change their communication behaviour to support two-year-olds at risk of delayed language. Small groups of parents take part in eight one-hour weekly sessions, supported by a specially commissioned smartphone app.

### **Reaching out to parents and practitioners**

#### **I CAN Help**

I CAN's speech and language therapists provide help and advice to parents and practitioners concerned about a child's speech, language and communication skills through the I CAN Help service. This includes a free helpline alongside information, advice and resources on the I CAN website.

- The phone helpline received over 800 calls between April 2018 and March 2019
- Our Talking Point website, which provides information on children's speech, language and communication development, received over 1.3 million new visitors last year

## **CHAPTER 5 - Influencing change**

Over the past year I CAN has worked with government influencers, policy makers and politicians to bring about positive changes to services so that children and young people with SLCN get the help they need.

### **Bercow: Ten Years On**

The *Bercow: Ten Years On* report, published by I CAN and the Royal College of Speech and Language Therapists (RCSLT) in 2018, put provision for children's SLCN firmly in the spotlight.

Commissioned to mark a decade since the publication of the original review of SLCN services for children and young people by the then John Bercow MP, *Bercow: Ten Years On* described a fragmented system which failed many children and young people with SLCN by not identifying their needs early enough, or putting in place effective support.

The report made 47 strategic recommendations aimed at decision-makers, together with a range of practical, online resources to support people to take action.

By March 2019, 12 months after the publication of *Bercow: Ten Years On*, it was clear that there had been significant progress; 17 recommendations were already completely achieved, with several others making good progress.

Children's early language remains high on the Government's agenda, but for school-aged children, and those with long-term SLCN such as developmental language disorder, there has been little change.

Progress on a strategic approach to planning and commissioning support across the age range for children with SLCN is limited. Given the numbers of children and young people with SLCN, and its impact on their life chances, urgent action is needed.

Together with RCSLT, I CAN will continue to press the Government to take the necessary steps to improve the lives of children with SLCN and their families.

### **Workforce development**

A project to help the early years workforce better support children with SLCN has delivered real benefits.

The project, run with The Communication Trust (TCT), has focused primarily on the Norwich Opportunity Area.

TCT designed a training programme to help early years practitioners develop their ability to support children's speech, language and communication needs. These 'Communications Champions' then shared their learning with colleagues in schools and early years settings across the city.

The project has transformed practitioners' confidence levels. Before training, just over 12% felt confident in their abilities to support children in their settings who were struggling with speech, language and communication. Following the training this figure had jumped to 100%.

TCT has also delivered training in several local authorities across the Midlands, North and North West as part of the Early Years SEND Partnership project (EYSEND). The training helps these authorities determine if their local 'pathways' for speech, language and communication effectively support children up to age five.

All participants said the training event helped them to start making positive changes to their local pathways. As part of this project 30 new Local Action Leaders will complete a Level 3 qualification in speech, language and communication needs.

## **CHAPTER 6 - Building partnerships and collaboration**

Building strong partnerships and working with individuals and other organisations is crucial if we are to achieve the greatest impact for the children and families we serve. We work with a variety of partners, including:

- The Royal College of Speech and Language Therapists
- Easy Peasy
- Contact
- Nasen
- CDC

This approach ensures that we have the funding and resources we need to carry on delivering our services and support, and to continue growing and developing so that we can increase the number of children and young people we help.

### **Philanthropy**

Income generation turned a corner in 2018/19, with I CAN raising significantly more funding by diversifying our income streams.

Philanthropy played an important role in this progress towards long-term financial stability. In 2018/9, our philanthropy programme began with a plan to raise £900,000 through trusts, foundations and statutory funds, major donor and corporate fundraising.

We far exceeded that target, securing £1.7 million. Much of this funding came from Trusts and The Department for Education and the Careers and Enterprise Company, as well as legacies – partnerships rekindled after a gap of several years.

Four events made a major contribution. Michael Frohlich, UK CEO of advertising and marketing business Ogilvy, hosted a corporate dinner for I CAN at the company's UK headquarters in Sea Containers House, London. Lord and Lady Fellowes of West Stafford and I CAN Ambassador Sebastian Conran and his wife Gertrude Thoma also hosted I CAN dinners in their London homes.

A spectacular event in Westminster, hosted by The Speaker of the House of Commons, the Rt Hon John Bercow MP, rounded off the year. Anthony Hornby, a former pupil at I CAN's Meath and Dawn House schools, spoke about how I CAN had helped him to live as independently as possible and how he had run the London Marathon in 2017 to raise £3,000 for the charity.

I CAN's schools and projects have also benefited from the generosity of individuals. The kitchen and dining areas at Meath School were refurbished thanks to further support from the Harrison family, while a generous anonymous donation has funded a pilot project in Bristol to find new ways of helping children with social, emotional and mental health (SEMH) problems achieve more effective language skills.

Finally, Print Data Solutions (PDS) continued its long-standing support of I CAN with 21 runners raising sponsorship funds by taking part in the Vitality 10K running event in London.

### **Working in the community**

In April 2017 I CAN launched its three-year Place Strategy in Knowsley and West Somerset, which face a range of social and economic challenges and have high numbers of children and young people with speech, language and communication needs.

The Place Strategy aims to sharpen the focus on the services supporting children and young people with SLCN in these areas. This involved developing a partnership approach with other organisations such as local authorities, voluntary organisations, health commissioners and community groups, and increasing support for a range of activities that would improve outcomes for more children, schools, early years settings and parents. These successes would then be shared with policy makers and practitioners.

**Key achievements include:**

- More children receiving help to develop their speech, language and communication. In Knowsley, the Place Strategy has had a direct impact on 3,523 children and we have influenced the support available to more than 26,000 children. In West Somerset, the strategy has directly helped 2,913 children, and we have influenced the support available to more than 121,000.
- Increases in the uptake of I CAN programmes, including a 200% increase in sales of Talk Boost Key Stage 1 in West Somerset, and a 333% increase in Knowsley.

**Working with government**

I CAN influences the services available to children and young people with SLCN by forging strong partnerships with government bodies. We now have representatives on the following panels:

**Department for Education:**

- SEND Joint Ministerial Roundtable
- Early Years Stakeholder Group
- Early Years VCS Disadvantage Grants Network Forum

**Public Health England:**

- SLCN Expert Advisory Group
- SLCN Health Visitor Task and Finish Group
- SLCN Pathway Task and Finish Group

**BBC:**

- Early Years Language Initiative Advisory Group

## **CHAPTER 7 - A high-performing, efficient and agile organisation**

The years of public sector austerity that followed the 2008 recession created a very challenging financial climate for all charities, including I CAN.

Our objective during 2018/19 was, therefore, to stabilise our finances and generate income from new sources to provide the funds we need to continue making a difference for children with speech, language and communication needs.

We met this objective - and achieved an operational surplus - through a raft of major changes. These included:

- Realigning the senior management team at no additional cost, creating clearer lines of accountability and responsibility
- Investing in our commercial sales and voluntary income generation streams, resulting in sales increases of 10%
- Conducting an efficiency programme, including the transformation of The Communication Trust following the loss of Government funding. This involved some tough decisions – pay progression was suspended across the organisation, but this meant that we could avoid increasing fees for pupils in our two special schools and give us time to realise the benefits of our newer income streams
- Investing in technology, including moving IT services to a single supplier and upgrading finance, HR and customer relationship systems
- Introducing a new flexible resourcing model so that we can increase and decrease staffing according to demand while at the same time ensuring that key positions – and organisational knowledge of the people in them - are maintained
- Surveying staff to find out what they think about I CAN's internal communications. They told us to develop better internal communications channels with clearer and more up-to-date information about our key activities and focus on improving communications with our schools and remote workers. A plan has been created to deliver these changes.

## **CHAPTER 8 - Looking forward**

I CAN is committed to improving the lives of children and young people with SLCN by making sure they receive the help they need. Our Three-Year Plan (2017 – 2020) 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 in the following ways:

### **Supporting children and young people's speech, language and communication needs, by:**

- Ensuring that our schools continue to be rated good or outstanding by Ofsted and focusing on school improvement and the safeguarding of our pupils
- Developing new communication methods to support parents worried about their child's speech, language and communication needs

### **Bringing about change in the services available to children with SLCN by:**

- Increasing our work in policy and public affairs
- Establishing and develop a new Talk Boost Tracking system that provides greater functionality to accurately measure progress
- Developing a proposal to establish a Research Centre in both schools
- Continuing to advocate for change to the services available to children and young people with SLCN as part of our *Bercow: Ten Years On* campaign

### **Focus on building strong partnerships and collaboration by:**

- Developing a proposal for the creation of a new Communication Trust grant giving programme
- Growing income by 20% based on the income target for 2018/19
- Preparing a capital appeal for Meath school
- Creating proposals to grow funded work in service delivery
- Seeking new opportunities to support the expansion of our Place Strategy
- Continuing to market our Talk Boost products to new customers

### **Continue to build a high-performing, efficient and agile organisation by:**

- Developing a new three-year strategic plan
- Introducing an employee recruitment and retention plan
- Creating an IT and digital roadmap
- Delivering a financial surplus
- Delivering an outcomes framework

## **FINANCIAL REVIEW**

### **Overview**

The year 2018-19 was a year of building on the consolidation undergone in 2017-18 and we finished with an operational surplus of £674,627 (2018: deficit of £782,554). A fundamental review of the cost base across the charity in 2017-18 has meant that we are in a stronger financial position in the long term.

Income increased by 8.0% to £8,030,735 (2018: £7,433,101) and expenditure decreased by 11% to £7,356,107 (2018: £8,215,665). The income figures are higher than they were in 2018 despite the 10-year relationship with DfE funding for the of The Communications Trust coming to an end in July of 2019. TCT income in 2019 was £320,000 (2018: £715,000). The year ended with an operational surplus of £674,627 (2018: deficit £782,554) and was accompanied by a better investment performance which achieved a gain of £163,573 (2018: £72,815 loss).

The increase in income included a 141% (£1,000,248) increase in donations and legacies as the investment in the new fundraising team started to pay off. Income for The Communication Trust decreased by 55% to £319,511 (2018: £714,480). Income from programme related activities remained stable, as did income for our two specialist schools. Investment income was up by 20% to £64,709 (2018: £53,970).

As the new team continued to settle in, fundraising expenditure increased by 12% to £418,826 (2018: £373,942). Charitable activities showed differing results. Expenditure for the two specialist schools was stable. Expenditure on programme related activities (which includes The Communication Trust) decreased by 23% to £1,725,013 (2018: £2,237,728) and expenditure on awareness raising and information decreased by 63% to £206,833 (2018: £553,386).

After accounting for the investment gain of £163,573, the net increase in total funds stands at £838,201 (2018: net decrease of £855,369).

### **Activity**

Income generated by our two special schools, Meath and Dawn House, remains stable at £5,027,465 (2018: £5,022,846). While both schools had a large cohort of pupils leaving in July 2018, we maintained a steady state as both schools continued 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 24 exceeded expenditure on school activities by £22,000. Account must also be taken of the amount of fundraised income relating to school activities (see note 15). Having regard to the overall objectives of the organisation, the Trustees are comfortable with this position.

Charitable expenditure on programme-related activities was £1,725,013 (2018: £2,237,728). This decrease in expenditure relates mainly to The Communication Trust where our 10-year funding relationship with the DfE came to an end.

### **Fundraising**

#### **Disclosure under The Charities (Protection and Social Investment) Act 2016**

- I CAN does not use external commercial participators for its fundraising function
- I CAN is a member of the Fundraising Regulator and abides by all the legal frameworks, as well as the professional good fundraising practice
- In 2019, there were no breaches of fundraising standards or law, and no complaints were received. (2018: nil)
- I CAN implements a robust privacy and GDPR policy (with associated systems and actions) to ensure privacy and data is handled correctly and fairly
- I CAN does not make persistent approaches nor does it carry out direct marketing in fundraising
- I CAN does not undertake telephone or street fundraising
- Donations from individuals and community groups are generally proactive (not solicited by I CAN), and other donors are asked on an ad-hoc basis, broadly only after it has been ascertained they are open to an approach (particularly in the case of Trusts & Foundations; Corporates and Philanthropists, whilst statutory funding follows an established tendering/procurement process)



- I CAN does not put undue pressure on any person to give money or other property.

### **Volunteers**

I CAN could not achieve its mission without the help of our team of volunteers. People give up their time to help us raise money and support our fundraising efforts, as well as helping in our schools to ensure that children with speech, language and communications needs (SLCN) get the help that they require. We are indebted to the volunteers who make a real impact in helping us to achieve a world where all children have the communication skills they need to fulfil their full potential.

### **Performance**

The economic climate continues to prove challenging, and the groundwork we undertook in 2017-18 to develop a strategy building long-term relationships with donors has started to bear fruit. This year, fundraising income increased by 140.5% to £1,718,698 (2018: £714,450). There have been increases on all income streams except for events. Major components of the increase relate to new statutory grants from the DfE (£345k). Trusts brought in £292k more in than they did in 2018. Legacies also brought in £260k more income than was received in 2018, as did Major Gifts which brought in £156k (2018: £105k). The Philanthropy fundraising team has been rebuilt to full capacity and this has made a positive impact. There has been an accompanying increase in expenditure of 12% to £418,826 (2018: £373,942).

### **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 2019 of £2,642,765 (2018: £1,922,816) provides an appropriate level of free reserves.

### **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 gain of £163,573 (2018: £72,815 loss). During the year the Trustees authorised sales of investments totalling £200,000 (2018: £1,000,000) to cover cash flow needs. Following an investment review in May 2018, the Trustees decided to transfer the endowment holdings 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 the Social Enterprise strategy. The potential to improve the financial effectiveness of I CAN's social enterprise has been improved this year through our two-year partnership with the Social Business Trust, which provides high-level expertise and advice through its pool of representatives

from high quality financial and management firms and 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 10 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 2019 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 full 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.

**I CAN Charity – Company Number 00099629**  
**Annual Report & Financial Statements for the Year Ended 31 March 2019**

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**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 such terms of office, or three in exceptional circumstances.

New Trustees are inducted into the Charity through a series of meetings with I CAN's Senior Management Team and, during 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:

	<b>Number of Meetings held during year</b>
Finance & Audit	4
Social Enterprise	4
Programme Development	4
Remuneration	-

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 considers 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.

**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.

**Public Benefit**

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 19.

**The Council of Trustees' Report (including the Strategic Report) was approved by the Council on 31 July 2019 and signed on its behalf by:**



**Huw Davles**  
**Chair of Trustees**



**Stuart Shepley**  
**Treasurer**

## ***Independent auditors' report to the members 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 2019 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 2019; the consolidated statement of financial activities, the consolidated statement of cash flow for the year then ended 31 March 2019 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**

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 12 months from the date when the financial statements are authorised for issue.

We have nothing to report on the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union 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, 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 20, 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](http://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.

A handwritten signature in black ink, appearing to read 'JB', followed by a long, wavy horizontal line.

**Jonathan Bound MPhys FCA (Senior Statutory Auditor)**  
**for and on behalf of PricewaterhouseCoopers LLP**  
**Chartered Accountants and Statutory Auditors**  
**Cardiff**  
**31 July 2019**

**I CAN Charlty – Company Number 00099629**  
**Annual Report & Financial Statements for the Year Ended 31 March 2019**

**Consolidated Statement of Financial Activities for the Year ended 31 March 2019**

		Unrestricted Funds	Restricted Funds	Endowment Funds	2019 Total	2018 Total
	Notes	£'000	£'000	£'000	£'000	£'000
<b>INCOME FROM:</b>						
<b>CHARITABLE ACTIVITIES</b>						
Schools Activities		3,438	1,589	-	5,027	5,023
The Communication Trust (TCT)		66	254	-	320	715
Programme Delivery Activities		900	-	-	900	927
<b>FROM GENERATED FUNDS</b>						
Donations and Legacies	2	753	966	-	1,719	714
Investments	10	43	-	22	65	54
<b>TOTAL INCOME</b>		<b>5,200</b>	<b>2,809</b>	<b>22</b>	<b>8,031</b>	<b>7,433</b>
<b>EXPENDITURE ON:</b>						
<b>RAISING FUNDS</b>						
Fundraising Costs	4	419	-	-	419	374
		<b>419</b>	<b>-</b>	<b>-</b>	<b>419</b>	<b>374</b>
<b>CHARITABLE ACTIVITIES</b>						
Schools Activities	4	3,364	1,605	36	5,005	5,051
Programme Related Activities (including TCT)	4	668	1,057	-	1,725	2,237
Awareness Raising & Information	4	161	46	-	207	553
		<b>4,193</b>	<b>2,708</b>	<b>36</b>	<b>6,937</b>	<b>7,841</b>
<b>TOTAL EXPENSES</b>	<b>4</b>	<b>4,612</b>	<b>2,708</b>	<b>36</b>	<b>7,356</b>	<b>8,215</b>
<b>NET INCOME (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS</b>						
		<b>588</b>	<b>101</b>	<b>(14)</b>	<b>675</b>	<b>(782)</b>
Profit/(Loss) on investment assets	10	59	-	105	164	(73)
<b>NET MOVEMENT IN FUNDS</b>		<b>646</b>	<b>101</b>	<b>91</b>	<b>838</b>	<b>(855)</b>
Fund balances brought forward at 1 April		2,897	307	2,716	5,920	6,775
<b>Fund balances carried forward at 31 March</b>	14, 15 & 16	<b>3,543</b>	<b>408</b>	<b>2,807</b>	<b>6,758</b>	<b>5,920</b>

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.



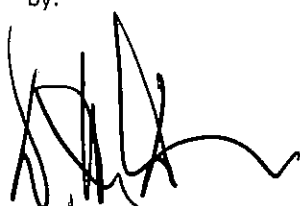
**I CAN Charity – Company Number 00099629**  
**Annual Report & Financial Statements for the Year Ended 31 March 2019**

**Consolidated and Charity Balance Sheets as at 31 March 2019**

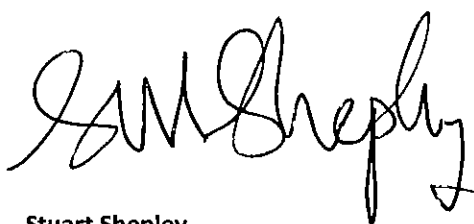
	Notes	Group		Charity	
		2019	2018	2019	2018
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible Assets	9a	1,487	1,489	1,487	1,489
Intangible Assets	9b	159	-	159	-
Investments	10	3,948	3,984	3,948	3,984
		<b>5,594</b>	<b>5,473</b>	<b>5,594</b>	<b>5,473</b>
<b>CURRENT ASSETS</b>					
Debtors	11	1,136	985	797	502
Stock	12	232	240	232	240
Cash at Bank and in Hand		740	486	738	477
		<b>2,108</b>	<b>1,711</b>	<b>1,767</b>	<b>1,219</b>
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	13	(944)	(1,264)	(603)	(772)
		<b>1,164</b>	<b>447</b>	<b>1,164</b>	<b>447</b>
<b>NET CURRENT ASSETS</b>					
		<b>1,164</b>	<b>447</b>	<b>1,164</b>	<b>447</b>
<b>TOTAL ASSETS LESS NET CURRENT LIABILITIES</b>					
		<b>6,758</b>	<b>5,920</b>	<b>6,758</b>	<b>5,920</b>
<b>ENDOWMENT FUNDS</b>					
Endowment Funds	14	2,807	2,716	2,807	2,716
<b>RESTRICTED FUNDS</b>					
Fixed Asset Funds	15	216	76	216	76
Other Funds	15	193	231	193	231
		<b>409</b>	<b>307</b>	<b>409</b>	<b>307</b>
<b>UNRESTRICTED FUNDS</b>					
Designated Funds – Fixed Assets	16	899	973	899	973
General Funds	16	2,643	1,924	2,643	1,924
		<b>3,542</b>	<b>2,897</b>	<b>3,542</b>	<b>2,897</b>
<b>TOTAL FUNDS</b>					
		<b>6,758</b>	<b>5,920</b>	<b>6,758</b>	<b>5,920</b>

The surplus for the year within the Charity only financial statements is £838,000 (2018: £855,000 deficit).

The financial statements on pages 24 to 42 were approved by the Council on **31 July 2019** and signed on its behalf by:



**Huw Davies**  
Chair of Trustees



**Stuart Shepley**  
Treasurer

**Consolidated Statement of Cash Flow for the Year Ended 31 March 2019**

	Notes	2019	2018
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net cash generated from (used by) operating activities	A	283	(683)
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		65	54
Proceeds from sale of property, plant and equipment		-	2
Purchase of property, plant and equipment		(131)	(59)
Purchase of Intangible Assets		(163)	-
Proceeds from sale of investments		200	1,000
Net cash (used by)/ generated from investing activities		(29)	997
<b>Change in cash and cash equivalents in the reporting year</b>		<b>254</b>	<b>314</b>
Cash and cash equivalents at the beginning of the reporting year		486	172
<b>Cash and cash equivalents at the end of the reporting year</b>	<b>B</b>	<b>740</b>	<b>486</b>
		<b>2019</b>	<b>2018</b>
		<b>£'000</b>	<b>£'000</b>
<b>Notes to the Consolidated Cash Flow Statement</b>			
<b>A Net income/ (expenditure) for the reporting year</b>		<b>838</b>	<b>(855)</b>
<b>Adjustments for:</b>			
Depreciation charges		133	177
Amortisation charges		3	-
Decrease in stock		9	120
(Increase)/Decrease in debtors		(152)	91
(Decrease) in creditors		(319)	(234)
Dividends and interest from investments		(65)	(54)
(Gains)/Losses on investments		(164)	73
(Profit) on disposal of fixed assets		-	(1)
<b>Net cash inflow/ (outflow) from operating activities</b>		<b>283</b>	<b>(683)</b>
		<b>2019</b>	<b>2018</b>
		<b>£'000</b>	<b>£'000</b>
<b>B Analysis of cash and cash equivalents</b>			
Cash in hand		740	486
<b>Total cash and cash equivalents</b>		<b>740</b>	<b>486</b>

**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: -

<b>Endowment Income</b>	-	Income which increases the capital value of the endowment funds.
<b>Restricted income</b>	-	Income, the expenditure of which is subject to specific conditions placed on its use by the donor.
<b>Unrestricted Income</b>	-	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 (ix) below for further detail on capital 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 the 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 Assets

Tangible 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: -

<b>Freehold Property</b>	50 years
<b>Leasehold Property</b>	Life of lease
<b>Buildings Renovations</b>	10 years
<b>Equipment &amp; Motor Vehicles</b>	4 years
<b>IT equipment</b>	3 years

(vi) Intangible Assets

Intangible assets comprise website and management system costs. Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses. Intangible assets are amortised on a straight-line basis over the expected useful life of three years. Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

(vii) Investments

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

(viii) Stock

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

(ix) 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 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).

(x) 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.

(xi) 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 2019 using the acquisition method of accounting on a line by line basis. Intra group transactions and profits are eliminated fully on consolidation.

(xii) 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**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Statutory Grants	345	-
Grant Making Trusts	766	475
Major Gifts	156	46
Corporate Donations and Sponsorship	25	17
Legacies	368	105
Other Donations and Events	59	71
	<b>1,719</b>	<b>714</b>

Included in income above are donations from Trustees and key management personnel of £23,000 from six individuals (2018: £27,000 from five individuals).

**3. Statutory Grants**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Department for Education (DfE)</b>		
Host Agency Grant for TCT	99	649
School Grants (Education Funding Agency)	1,316	1,340
Other Grants (Delivery of HLE and SEND projects by I CAN and TCT)	345	-
	<b>1,760</b>	<b>1,989</b>

These grants have been analysed in the SOFA as follows:

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Schools Activities	1,316	1,340
TCT	99	649
Gifts, Donations and Legacies	345	-
	<b>1,760</b>	<b>1,989</b>

**4. Analysis of Expenditure**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2019 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Direct charitable expenditure</b>				
Schools	3,995	895	115	5,005
Programme Delivery Activities (including TCT)	793	911	21	1,725
Awareness Raising & Information	176	31	-	207
	<b>4,964</b>	<b>1,837</b>	<b>136</b>	<b>6,937</b>
<b>Costs of Generating funds</b>				
Fundraising	355	64	-	419
	<b>5,319</b>	<b>1,901</b>	<b>136</b>	<b>7,356</b>

**2018 Analysis of expenditure**

	<b>Staff Costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2018 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Direct charitable expenditure</b>				
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
	<b>5,906</b>	<b>1,759</b>	<b>176</b>	<b>7,841</b>
<b>Costs of Generating funds</b>				
Fundraising	292	81	1	374
	<b>6,198</b>	<b>1,840</b>	<b>177</b>	<b>8,215</b>

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	2019	2018
	£'000	£'000
<b>Staff costs:</b>		
Wages and Salaries	4,163	4,939
Social Security costs	366	412
Other pension and benefit costs	291	313
Agency staff and consultants	320	284
Other staff costs	179	250
	<b>5,319</b>	<b>6,198</b>

Included in the figures above were 11 redundancies made during the year totalling £24,881 (2018: 15 payments totalling £146,000).

The average number of employees during the year was 156 (2018: 188). Their full-time equivalents would be 137 (2018: 160) which can be apportioned by categories as follows: educational services 119 (2018: 143), fundraising and awareness raising 10 (2018: 10) and administration 8 (2018: 7).

	Number in 2019	Number in 2018
<b>Emoluments of higher paid employees:</b>		
£60,000 to £70,000	1	4
£70,001 to £80,000	2	3
£80,001 to £90,000	1	1
£91,001 to £100,000	1	1

In 2019, there were no payments made in connection with redundancy in the emoluments of higher paid employees (2018: £65,000).

There were no contributions made to the Teachers' Pension Scheme for higher paid employees (2018: There were none). Contributions of £42,000 (2018: £32,000) were paid to a defined contribution scheme for 5 (2018: 7) higher paid employees.

**Key management personnel**

Key management personnel of the Charity are the Senior Management Team as listed on page 43. The total amount of employee benefits for these 8 (2018: 9) positions was £570,000 (2018: £658,000).

5. Allocation of Support Costs

	Occupancy	Human Resources	Finance and Information Technology	Governance (note 6)	2019 Total
	£'000	£'000	£'000	£'000	£'000
<b>Fundraising</b>	15	6	11	6	38
<b>Activity</b>					
Schools	295	131	195	114	735
Programme Delivery Activities	23	15	49	13	100
Awareness Raising & Information	8	6	5	5	24
	<b>341</b>	<b>158</b>	<b>260</b>	<b>138</b>	<b>897</b>

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.

<b>Analysis of support costs</b>	Staff Costs	Other	Depreciation	2019 Total
	£'000	£'000	£'000	£'000
Governance (note 6)	111	27	-	138
Occupancy	85	255	2	342
Human Resources	136	21	-	157
Finance and Information Technology	190	62	8	260
	<b>522</b>	<b>365</b>	<b>10</b>	<b>897</b>

The prior year comparatives are as follows:

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

<b>Analysis of support costs</b>	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
	<b>494</b>	<b>412</b>	<b>10</b>	<b>916</b>



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**6. Governance Costs**

	2019	2018
	£'000	£'000
Strategic planning and management	112	112
Auditors' remuneration – audit services	24	24
Auditors' remuneration – other services	2	2
	<b>138</b>	<b>138</b>

**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 surplus for the year within the Charity financial statements is £838,000 (2018: £855,000 deficit).

**8. Trustees' Remuneration**

In accordance with the Charity's Memorandum of Association, no Trustee holds a salaried office with the Charity. In 2019, no Trustees received payment for work performed (2018: £4,400). In 2019, 2 Trustees claimed travel and subsistence expenses for attendance at meetings of £892 (2018: 4 Trustees claimed £1,534).

**9. Fixed Assets**

**9a. Tangible Assets – Group and Charity**

	Buildings Renovations	Freehold Property	Leasehold Property	Equipment & Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2018	1,255	3,208	196	947	5,606
Additions	5	-	-	126	131
Disposals at cost	-	-	-	(205)	(205)
At 31 March 2019	1,260	3,208	196	868	5,532
<b>Accumulated Depreciation</b>					
At 1 April 2018	(1,127)	(1,957)	(196)	(837)	(4,117)
Charge for the year	(31)	(63)	-	(39)	(133)
Disposals	-	-	-	205	205
At 31 March 2019	(1,158)	(2,020)	(196)	(671)	(4,045)
<b>Net book value at 31 March 2019</b>	<b>102</b>	<b>1,188</b>	<b>-</b>	<b>197</b>	<b>1,487</b>
Net book value at 31 March 2018	128	1,251	-	110	1,489

Of the Freehold Property, £372,000 (2018: £382,000) of the net book value relates to the Ministering Children's League fund, which is a permanent endowment.

**9b. Intangible Assets – Group and Charity**

	<b>2019</b>
	<b>£'000</b>
<b>Cost</b>	
At April 2018	-
Additions	162
<b>At March 2019</b>	<b>162</b>
<b>Accumulated Amortisation</b>	
At April 2018	-
Charge for the year	(3)
<b>At March 2019</b>	<b>(3)</b>
<b>Net Book Value At March 2019</b>	<b>159</b>

**10. Investments – Group and Charity**

	2019	2018
	£'000	£'000
At 1 April	3,984	5,057
Disposals	(200)	(1,000)
Realised gains	30	4
Unrealised increase/(decrease) in unrealised gains	134	(77)
<b>At 31 March</b>	<b>3,948</b>	<b>3,984</b>
<b>Historical cost of investments</b>	<b>2,666</b>	<b>2,101</b>

Included within the balance are investments with a value of £2,177,000 (2018: £2,072,000) which relate to the group's endowment funds as set out in note 17.

Investments in both years were held in managed UK investments funds. In 2019, £1,771,000 (2018, £3,025,000) 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 (43).

<b>Investment Income</b>	<b>2019</b>	<b>2018</b>
	£'000	£'000
Dividends and interest on Listed Investments	65	54
	<b>65</b>	<b>54</b>

**11. Debtors: Amounts falling due within one year**

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Debtors for school fees	438	483	-	-
Other Trade Debtors	107	258	107	258
Other Debtors	10	27	10	27
Intra-Group Balances	-	-	99	-
Prepayments and accrued income	581	217	581	217
	<b>1,136</b>	<b>985</b>	<b>797</b>	<b>502</b>

The difference on prepayments and accrued income between 2019 and 2018 is £278,000 accrued income from the Department for Education on two projects involving the home learning environment and special education needs and disabilities and £145,000 accrued for a legacy.

**12. Stock – Group and Charity**

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Goods for resale	232	240	232	240
	<b>232</b>	<b>240</b>	<b>232</b>	<b>240</b>

Stock is stated after a provision for impairment of £85,000 (2018: £75,000).

**13. Creditors: Amounts falling due within one year**

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Creditors	73	125	73	125
Other creditors including tax and Social Security	219	286	219	286
Accruals	263	210	263	210
Intra-Group Balances	-	-	-	99
Deferred Income	389	643	48	52
	<b>944</b>	<b>1,264</b>	<b>603</b>	<b>772</b>

Deferred income relating to school fees of £591,000 (2018: £609,000) has been released in the year while further income of £348,000 (2018: £591,000) was deferred to the following year.

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**14. Endowment Funds – Group and Charity**

	As at 1 April 2018	Income	(Expense)	Transfer to other funds	Investment Gains	As at 31 March 2019
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expendable Endowment</b>						
Countess of Meath	49	-	(4)	-	-	45
<b>Permanent Endowment</b>						
Princess Alice Fund	332	6	(6)	-	20	352
I CAN Consolidated Fund	680	2	(2)	-	7	687
Ministering Children's League Fund	1,655	13	(24)	-	79	1,723
<b>Total Group</b>	<b>2,716</b>	<b>21</b>	<b>(36)</b>	<b>-</b>	<b>106</b>	<b>2,807</b>

**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.

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**15. Restricted Funds – Group and Charity**

	As at 1 April 2018	Restricted Income	Restricted Expenditure	Transfer between funds	As at 31 March 2019
	£'000	£'000	£'000	£'000	£'000
<b>Fixed Asset Funds</b>					
Dawn House School	24	32	(4)	-	52
Meath School	-	5	-	-	5
Meath School Minibus	26	-	(8)	-	18
Meath Woodlands project	26	-	(5)	-	21
CRM Project	-	120	-	-	120
	<b>76</b>	<b>157</b>	<b>(17)</b>	<b>-</b>	<b>216</b>
<b>Other Funds</b>					
<b>Children's funds</b>					
Dawn House school fundraised funds	2	20	(13)	-	9
Dawn House school restricted income	4	746	(741)	-	9
Dawn House Assessments Hardship fund	-	6	-	-	6
	<b>6</b>	<b>772</b>	<b>(753)</b>	<b>-</b>	<b>24</b>
Meath School fundraised funds	100	97	(93)	-	104
Meath School restricted income	-	675	(653)	-	22
Meath Residential Centre	99	-	(70)	-	29
Meath Assessments Hardship fund	14	8	(19)	-	3
	<b>213</b>	<b>780</b>	<b>(835)</b>	<b>-</b>	<b>158</b>
<b>Enquiry Service</b>	<b>-</b>	<b>37</b>	<b>(46)</b>	<b>9</b>	<b>-</b>
<b>Programme funding</b>					
Tots Talking	-	103	(103)	-	-
Social Business Trust grant	-	279	(279)	-	-
I CAN other projects	9	82	(71)	(9)	11
TCT DfE contract	-	99	(99)	-	-
TCT DfE Health Visitors project	3	79	(82)	-	-
TCT other projects	-	4	(4)	-	-
DfE HLE	-	299	(299)	-	-
DfE SEND	-	118	(118)	-	-
	<b>12</b>	<b>1,063</b>	<b>(1,055)</b>	<b>(9)</b>	<b>11</b>
<b>Total Other Funds</b>	<b>231</b>	<b>2,652</b>	<b>(2,689)</b>	<b>-</b>	<b>193</b>
<b>Total Restricted Funds</b>	<b>307</b>	<b>2,809</b>	<b>(2,706)</b>	<b>-</b>	<b>408</b>

**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  
CRM Project – CRM project funded by Fidelity

**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 is 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.



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. £103,000 (2018: £48,000) was received from the Big Lottery Fund for this project.



Social Business Trust – Funds received £35,000 in addition to professional support worth £244,000 (2018: £30,000 in addition to £92,000 in professional support 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.

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DfE HLE – Led by I CAN, the aim is Changing the Conversation about Language. This project puts families in disadvantaged areas at the centre, giving them power and information.

DfE SEND - Led by National Children’s Bureau but delivered in partnership with Council for Disabled Children, Nasen, I CAN, The Communications Trust and Contact - this project aims to improve the quality of provision for children with SEND.

**16. Unrestricted Funds – Group and Charity**

	As at 1 April 2018	Income	(Expenditure)	Investment Gains	As at 31 March 2019
	£'000	£'000	£'000	£'000	£'000
<b>Designated: Fixed Asset Funds</b>					
Schools	972	-	(74)	-	898
Trading Activities	1	-	-	-	1
	973	-	(74)	-	899
<b>General Funds</b>	1,924	5,200	(4,539)	60	2,644
<b>Total Unrestricted Funds</b>	<b>2,897</b>	<b>5,200</b>	<b>(4,613)</b>	<b>60</b>	<b>3,543</b>

**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 2019 Total
	£'000	£'000	£'000	£'000	£'000
Tangible Assets	120	899	96	372	1,487
Intangible Assets	40	-	119	-	159
Investments	1,771	-	-	2,177	3,948
Net current assets	712	-	193	259	1,164
<b>Total net assets</b>	<b>2,643</b>	<b>899</b>	<b>408</b>	<b>2,808</b>	<b>6,758</b>

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

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**18. Prior year comparator for SOFA**

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



**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 four-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 10-year period of the lease. The lease includes a break clause after the first five years. The total value of the future minimum lease payments under the non-cancellable operating lease for 31 Angel Gate is £127,000. A total of £128,000 has been recognised in the financial statements as the lease payments for the 2019 year (2018: £128,000).

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Payment not later than one year	128	128
Payment later than one year and not later than five years	-	127
Payment later than five years	-	-
<b>Total commitments under operating lease</b>	<b>128</b>	<b>255</b>

The charity had capital commitments of at 31 March 2019 (2018: £12,000).

**20. Capital**

The Company is limited by guarantee and has no share capital. The liability of the 15 members under the guarantee is limited to £1 each.

**21. Related Party Transactions**

During the year, I CAN recharged costs of £97,000 (2018: £100,000) to its wholly owned subsidiary I CAN Services Limited. The amounts outstanding from I CAN Services Limited is disclosed in note 11. The Social Business Trust (SBT) reviewed I CAN's Social Enterprise products and services suite on a pro bono basis in 2018/19, a consultancy which was valued by SBT as being worth £244,314. This figure includes £33,571 attributable to Permira consultants where R Basile is a senior Principal and also a Trustee of I CAN. SBT made an additional cash donation of £34,940 to I CAN in 2018/19. I CAN did not make any payments to SBT, Permira or R Basile.

Key management personnel and Trustee remuneration disclosures are given in note 4 and 8 respectively.

**22. Pension Obligations**

The Group participates in two 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 £276,000 (2018: £297,000). Of this, £68,000 (2018: £81,000) 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.

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As noted above, from 1 April 2015 employer contributions were 14.1%, increasing to 16.48% from 1 September 2015. Employee contributions in 2019 and 2018 were based on tiered contribution rates as follows:

Contribution rate	2018-19		2017-18	
	Lower salary	Higher Salary	Lower salary	Higher Salary
7.40%	0	27,048	0	26,259
8.60%	27,049	36,410	26,260	35,349
9.60%	36,411	43,171	35,350	41,914
10.20%	43,172	57,216	41,915	55,549
11.30%	57,217	78,022	55,550	75,749
11.70%	78,023	78,023 +	75,750	75,750 +

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  
 31 Angel Gate  
 Goswell Road  
 London  
 EC1V 2PT

Company limited by guarantee  
 Registered in England  
 Company Registered Number 00099629  
 England and Wales Charity Registered Number 210031  
 Scottish Charity Registered Number SC039947

T: 020 7843 2510 | E: [info@ican.org.uk](mailto:info@ican.org.uk) | Web: [www.ican.org.uk](http://www.ican.org.uk)

**PATRON:** HM The Queen

**VICE PRESIDENTS**

The Most Rev and Right Hon The Lord Archbishop of Canterbury  
 The Most Rev and Right Hon The Lord Archbishop of York  
 The Right Rev and Right Hon The Lord Bishop of London  
 Mrs. Susan Blackwood

Sir John Craven  
 Ms. Frances Jacob  
 Mrs. Lesley James CBE  
 Mr. Oliver Thompson  
 Mr. Howard Jacobs

**THE COUNCIL**

Mr. Huw Davies

**Date Elected**

16.09.2007

**Position**

Chair

**Sub-Committees**

Finance & Audit, Programme  
 Development, Social Enterprise  
 Remuneration  
 Finance & Audit

Mr. Stuart Shepley

Co-opted from  
 21.09.2016  
 Elected 27.09.2017

Treasurer

Mr. Oliver Bates  
 Dr. Judy Clegg BSc, PhD,  
 MRCSLT

21.09.2016  
 21.09.2016

Finance & Audit  
 Programme Development

Ms. Susan Gregory

25.09.2014

Programme Development,  
 Social Enterprise  
 Remuneration  
 Programme Development

Mr Charles Newman

20.09.2011

Ms. Jean Gross CBE

20.09.2012

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  
 Director of Business Development  
 Director of Operations  
 Director of Corporate Services  
 Director of Education  
 Director of Philanthropy  
 Director of Impact  
 Principal of Dawn House School  
 Principal of Meath School  
 Principal of Meath School

Mr. Bob Reitemeier CBE  
 Mrs. Clare Geldard to March 2019  
 Mrs Carol Payne from July 2019  
 Mr. Steve Williams  
 Ms. Deirdre Fitzpatrick to July 2019  
 Ms. Ann Paul  
 Mrs Mary Hartshorne from April 2018  
 Ms. Jenny McConnell  
 Ms. Janet Dunn OBE to August 2018  
 Mr. Robert Walton from September 2018

**SOLICITORS**

Bates Wells  
 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**

We are enormously grateful to all of the individuals and organisations who supported our work last year. Whether you ran, jumped out of a plane, collected at your school or club, shared your experience of SLCN, made a financial donation or shared your expertise and resources, you all made a vital contribution to our work. Thank you to all those named here and those who wish to remain anonymous. We could not succeed without your help.

**Generous Supporters**

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The Simmons & Simmons Charitable Foundation  
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