



**helps children
communicate**

Annual Report and Financial Statements

For the Year Ended 31 March 2017

I CAN Charity (formerly Invalid Children's Aid Nationwide)

Company Limited by Guarantee

Charity Founded in 1888

Registered under the Charities Act 1960

Company Registered Number 00099629

England and Wales Charity Registered Number 210031

Scottish Charity Registered Number SC039947

I CAN Charity – Company Number 99629
Annual Report & Financial Statements for the Year Ended 31 March 2017

COUNCIL OF TRUSTEES' REPORT

The Trustees of I CAN Charity ("I CAN" or "the Charity") present the Council's report and consolidated audited financial statements for the year ended 31 March 2017.

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

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

PATRON: HM The Queen

VICE PRESIDENTS

His Grace The Lord Archbishop of Canterbury
 His Grace The Lord Archbishop of York
 The Rt Rev The Lord Bishop of London
 Mrs. Susan Blackwood
 Mr. Donald Chilvers

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

THE COUNCIL

Mr. Huw Davies

Date Elected

10.09.2007

Position

Chair

Sub-Committees

Nominations, Remuneration,
 Finance & Audit
 Finance & Audit

Mr. Stuart Shepley

Co-opted from
 21.09.2016

Treasurer

Mr. Mark Richardson

16.09.2010

Treasurer retired 21.09.16

Mr. Oliver Bates

21.09.2016

Finance & Audit

Dr. Judy Clegg BSc, PhD, MRCSLT

21.09.2016

Finance & Audit

Mr. Henry Grafton Grattan

20.09.2012

Programme Development
 Appeals, Nominations,
 Remuneration

Ms. Susan Gregory

25.09.2014

Programme Development

Ms. Jean Gross CBE

20.09.2012

Programme Development

Mr. Christopher Holder

20.09.2012

Appeals

Mr. Adrian Hosford

16.09.2010

Prof. Victoria Joffe MRCSLT MHPC

16.09.2010

Programme Development

Mr. Charles Newman

22.09.2011

Appeals

Mrs. Katharine Weston

10.09.2009

EXECUTIVE MANAGEMENT

Chief Executive

Mr. Bob Reitemeier CBE

Deputy Chief Executive

Mr. Patrick Stewart to 23.08.16

Director of Business Development

Mrs. Clare Geldard

Director of Corporate Services

Mr. Steve Williams from 24.04.17

Director of Education

Ms. Deirdre Fitzpatrick from 05.06.17

Director of Fundraising

Mr. Jonathan Pelluet to 18.11.16

Director of Philanthropy

Ms. Ann Paul from 10.07.17

Director of Outcomes and Information

Ms. Mary Hartshorne to 31.03.17

Director of Regional Development

Ms. Kate Freeman from 01.04.17

Acting Principal of Dawn House Centre

Ms. Jenny McConnell from 01.04.17

Principal of Dawn House Centre

Mrs. Angela Child to 30.06.2016

Ms. Melsa Buxton from 01.07.2016 to 31.03.17

Principal of Meath Centre

Ms. Janet Dunn OBE

Director of The Communication Trust

Ms. Octavia Holland

SOLICITORS

Bates Wells Braithwaite
 10 Queen Street Place
 London EC4R 1BE

BANKERS

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

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
 1 Embankment Place
 London WC2N 6RH

THE CHAIRMAN'S REPORT

I am delighted to present I CAN's Annual Report and Financial Statements for 2016-17. As an organisation we achieved a great deal during the year by taking significant strides in adjusting our work so that we are much better positioned to reach out and help the hundreds of thousands of children and young people across the nation with speech language and communication needs (SLCN).

This is important because the need is great. We have known for some time that 10%, or 1.4 million children, have long-term, persistent SLCN. However, we learned last year, through research conducted by Courtenay Frazier Norbury (Journal of Child Psychology and Psychiatry, November 2016, Volume 57, Issue 11) that 7.58% of all children have a developmental language disorder. These children find it difficult to make sense of what other people say and struggle to put their thoughts into words so their talking can sound muddled and unusual. The cause for language disorder is usually unknown. Dramatically, this affects two children in every classroom and 88% of these children fail to achieve school targets.

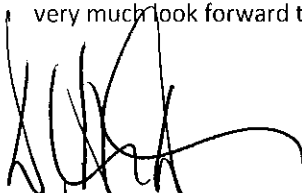
The need for support does not end there. A further group of children suffer from delayed language. These children communicate like a younger child; they use simpler sentences, fewer words and often struggle to understand long instructions. This can affect over 50% of children in some areas of social disadvantage.

That is why this year I CAN took the necessary and significant decision to initiate a new strategy. Our goal over the next three years is to double the number of children and young people we reach who have communication difficulties, from 50,000 to 100,000 children and young people. We feel this ambitious goal is achievable because of the action we have taken this year, which includes:

- Conducting a full review of our fundraising operations which will now focus entirely on building meaningful and long-term partnerships with individuals, corporate organisations and trusts and foundations.
- Securing a two-year partnership with the Social Business Trust (SBT) designed to significantly increase the distribution of I CAN interventions, training materials and language programmes across the nation.
- Designing a new regional approach to our work, which was launched in April 2017, where we will support local organisations and schools to support more children with language difficulties.
- Building on the expertise contained in our two "Outstanding" special schools to create the Outreach Programme, designed to support children in mainstream schools who have developmental language disorder.
- Re-enforcing our commitment to an evidence-based approach to all of our work through an organisation-wide Outcomes Framework.

To implement this exciting programme of work we have restructured our Directors' team, the full complement of which will be in place by July 2017. Working closely together with the Board of Trustees and the Directors, we are well placed to deliver on our ambition to double our reach to children and young people in need.

I would like to take this opportunity to thank all of I CAN's supporters, funders, donors, volunteers and staff, without whose help and assistance we would not be able to make the difference we do to children's lives. We very much look forward to continuing our partnerships and indeed to expand them even further.



Huw Davies
Chairman of the Board of Trustees
28 June 2017

OBJECTIVES AND ACTIVITIES

I CAN is the leading charity for children and young people's speech, language and communication needs. We provide effective, practical evidence-based solutions that help change the lives of children and young people with communication difficulties and support all children's communication development.

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

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

The objectives of our Three Year Plan (2017 to 2020) are to:

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

Our key activities include:

- Running two special schools to support children and young people with the most severe and complex language needs.
- The development and distribution of programmes to support individual and groups of children with delayed language – currently implemented in over 5,000 nurseries and schools across the country.
- Direct support to over 1,300 parents of children with SLCN each year through a dedicated telephone and Skype enquiry service where they receive advice from Speech and Language Therapists, and access to information and advice for parents and practitioners through our Talking Point website, supporting over 1.2 million people each year.
- Hosting The Communication Trust, a consortium of over 50 organisations in the field of communications.
- The development of both I CAN and The Communication Trust training materials, toolkits and learning platforms for the nation's workforce who are responsible for the education and care of children with SLCN.
- The provision of clear and robust evidence from our work to government and policy makers to influence practice and policy across the UK, in support of all children who have language difficulties.
- Working in partnership with other organisations, campaigning for better information, advice and improved services to the hundreds of thousands of children and their families not receiving the speech, language and communication support they need.

ACHIEVEMENTS AND PERFORMANCE

In the 2015-16 Annual Report, we summarised our achievements, performance and future plans in the five core areas of our previous Three Year Plan. In this year's report, we provide a new framework for describing our work, based on our new Three Year Plan (2017-2020).

In 2016-17 our achievements included:

Developing and distributing materials designed to support children and their families: This year, an incredible 1.2 million people visited our Talking Point website, which provides information and advice on speech, language and communication – highlighting how important this issue is to the nation. Our Enquiry Service handled 1,318 calls from parents, all of whom were provided with information and advice from a Speech and Language Therapist. We further delivered training sessions for our Talk Boost series of interventions to 707 nurseries (Early Talk Boost) and 678 schools (Talk Boost Key Stage One and Key Stage Two).

Management of two special schools, Dawn House in Nottinghamshire and Meath in Surrey: We supported and educated 133 pupils aged four to 19 and cared for 46 pupils in our schools' residential units. We maintained our Ofsted Outstanding rating for Care at Meath School and received a Good rating at Dawn House School for inspections that took place in January 2017.

Hosting The Communication Trust, a consortium of over 50 organisations supporting children's communication: The Trust published several important documents for the whole of the sector, including *Talking about a Generation*, describing the current policy, evidence and practice in children's communication, commissioning guidance for schools, and launched the Speech, Language and Communication framework.

Influencing Government and Policy Makers: We launched our independent review, *Bercow – Ten Years On* in partnership with the Royal College of Speech and Language Therapists, and together with The Communication Trust submitted contributions to government consultations on the Life Chances Strategy, the Early Years Workforce Strategy and Children's Centres. We participated in the All Parliamentary Party Groups on Speech, Language and Communication, and Literacy and provided advice to the Department for Education on Opportunity Areas. I CAN is a core member of the *Read On Get On* national campaign to ensure all children have good language skills by the age of five and are reading well by the age of 11. Last year we also joined the Fair Education Alliance.

Developed I CAN's sustainability and long-term financial resilience: We successfully secured a two-year partnership with the Social Business Trust. This will enhance the performance of I CAN's social enterprise which manages the development and distribution of materials designed to support children with communication difficulties. We enhanced our use of social media to market I CAN products and reviewed data management to provide improved support to I CAN Licensed Tutors, schools, early years settings and online shop customers.

LOOKING FORWARD

I CAN has launched a new Three Year Plan, covering the period April 2017 to March 2020.

In 2017-18 we will:

1. Launch two new major initiatives, designed to both increase our reach to children and young people and enhance the quality of support and service provided to children and families by continuously improving our evidence-based programmes and our partnership working. They are:
 - a. The Place Strategy, designed to address the vacuum of local leadership in speech and language provision resulting from the significant changes to local agency funding and structures over the past several years. I CAN has selected five areas of high deprivation across England where we will take on a supportive and facilitative role, working in partnership with local organisations, to help ensure children are supported to develop the communication skills they need to fulfil their potential. The five areas are Knowsley in Merseyside, Oldham in Greater Manchester, Derby City, Barking and Dagenham in Greater London and West Somerset.
 - b. The Outreach Programme, designed to build on I CAN's expertise in supporting children with language disorder through partnership with a range of mainstream schools. We aim to provide materials and training for schools where the majority of the one million children with language disorder are educated.
2. Support, care and educate between 125 and 135 pupils aged 4 to 19 in our two special schools, maintaining Good and Outstanding Ofsted inspection reports in Care and Education.
3. Increase our reach by 20% to schools and early years settings through enhanced marketing of our Talk Boost Series: Early Talk Boost, Talk Boost Key Stage One and Talk Boost Key Stage Two.
4. Increase by 10% the support we provide families with children with communication difficulties through our free Enquiry Service – where parents are able to discuss their child's situation with a trained Speech and Language Therapist.

FINANCIAL REVIEW

Overall

The year 2016-17 was a transitional year during which our ambitious strategy for the new three year plan was developed. We began the year with an expected deficit budget of £376,000, but through strong financial management reduced this to an end of year deficit of only £89,000.

Income fell by 7% to £7,793,000 (2016: £8,417,000) which was offset by management's cost controls leading to a decrease in total expenditure of 7% to £8,412,000 (2016: £9,052,000). The subsequent operational loss of £619,000 (2016: £635,000) was significantly mitigated by a healthy investment gain of £530,000 (2016: £221,000) resulting in an overall deficit of £89,000 (2016: £414,000) in the year to 31 March 2017.

The reduction in total income was mainly due to a 36% decrease (£398,000) in income for The Communication Trust as some of their major programmes of work came to an end, and a decrease of 24% (£339,000) in fundraising income (referred to as donations and legacies income in the financial statements) due to the restructuring of the fundraising team. Income from Programme Related Activities had an 8% decrease of £79,000 (2016: £54,000 increase). Income from school activities had a 4% increase of £195,000 (2016: £125,000 increase).

Expenditure on charitable activities was £7,864,000 (2016: £8,285,000). The decrease of £421,000 is largely due to a £561,000 reduction in expenditure for Programme Related Activities, again due to the completion of some Communication Trust programmes of work. Fundraising expenditure decreased to £548,000 (2016: £767,000) due to restructuring.

Portfolio investment gain increased by £309,000 to £530,000 (2016: £221,000) resulting in a net decrease in total funds of £89,000 (2016: £414,000).

Activity

Schools Activities' income at £5,045,000 (2016: £4,850,000) during the year represented a 4% increase for I CAN's two schools, Dawn House and Meath. School income increased for both schools despite the expected large cohort of leavers in July, mainly due to Meath School's success in attracting new pupils and to Dawn House School's recovery of costs associated with one on one support for pupils with 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 12 is exceeded by expenditure on school activities. Account must also be taken of the amount of fundraised income relating to school activities (see note 14). Having regard to the overall objectives of the organisation, the Trustees are comfortable with this position.

Charitable expenditure on Programme Related Activities was £2,294,000 (2016: £2,855,000). The decrease of £561,000 (20%) is largely explained by the reduction in expenditure by The Communication Trust as outlined above. Governance costs reduced to £148,000 for 2017 (2016: £169,000) and represent the cost of strategic planning and leadership of the organisation. The positive variance from last year's figure is attributed to recruitment costs for the chief executive in 2015-16.

Fundraising

All UK charities live in a challenging economic environment. I CAN took positive action during the year to ensure that it is well placed to improve its fundraising income as we move forward. A full review of all fundraising income streams was conducted, involving external expertise, and a new strategy and structure was approved – focusing on building longer-term relationships with individuals, corporates, trusts and foundations. The new Director of Philanthropy will be in place in July 2017 ready to deliver on the new strategy.

During this transition year, fundraising income fell by 24% (£339,000) to £1,056,000 (2016: £1,395,000). A major component of this decrease is explained by the fact that statutory grants have significantly reduced since 2014 when we received £765,000 (2015: £389,000; 2016: £2,000). Equally tied to the transition period and development of a new strategy, fundraising expenditure reduced by 29% (£219,000) to £548,000 (2016: £767,000). Fundraising net contribution to the Charity decreased by £120,000 (2016: £628,000; 2017: £508,000).

Reserves Policy

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

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

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

After careful assessment of the above, and in line with good governance practice, the Trustees have reviewed all identified risks and have concluded that the minimum level of General Funds should be £1,750,000 and that the current level of the General Funds at 31 March 2017 of £2,333,000 (2016: £2,406,000) provides an appropriate level of comfort in excess of the minimum.

Investments Policy and Performance

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

Investment performance over the year has been substantially better than expected with a gain of £530,000 (2016: £221,000). During the year the Trustees authorised two sales of investments totalling £700,000 to cover cash flow needs. The sales were largely offset by the investment gain leaving overall only a small decrease in investments of £170,000 for the year.

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 conducting the fundraising review, recruiting a new Director of Philanthropy, and developing a new Three Year Plan. The potential to improve the financial effectiveness of I CAN's social enterprise has been significantly improved this year through our two-year partnership with The Social Business Trust, who provide high-level expertise and advice through its pool of representatives from high quality financial and management firms.

Other key risks identified by Trustees include the funding base for The Communication Trust and our need to diversify its income streams, and the loss of key staff who are difficult to replace. These are being addressed through the Trust's and I CAN's financial and succession planning. Safeguarding and child protection will remain a standard key risk for I CAN as long as it manages special schools. To help address this risk, an external review of safeguarding policies and behaviour management will take place at both schools during 2017.

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

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

Structure, Governance and Management

The Charity is a company limited by guarantee and is governed by a Memorandum and Articles of Association which were last amended on 21 September 2016. 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 3 years and may serve for 2 or exceptionally 3 such terms of office.

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

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

	Number of Meetings held during year
Finance & Audit	3
Nominations	-
Programme Development	4
Remuneration	1

The Trustees of the Charity meet at least 4 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 Executive Management of the Charity. The progress of the Charity against the strategic plan is monitored regularly by the Trustees.

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

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

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

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

Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The significant activities undertaken to carry out our aims for the public benefit and our achievements measured against those aims are provided on pages 4 and 5 of this report.

Statement of Trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Trustee in office at the date the Trustees' Report is approved:

- so far as the Trustee is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's Achievements, Performance & Future Plans on pages 4 and 5.

The Council of Trustees' Report (including the Strategic Report) was approved by the Council on 28 June 2017 and signed on its behalf by:



Huw Davies
Chair of Trustees



Stuart Shepley
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF I CAN CHARITY

Report on the financial statements

Our 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 2017 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the consolidated and charity balance sheets as at 31 March 2017;
- the consolidated statement of financial activities for the year then ended;
- the consolidated statement of cash flow for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is 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).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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
- the 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 company and its 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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
- 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.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees' Responsibilities Statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Guy Flynn (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 11 July 2017

I CAN Charity – Company Number 99629
Annual Report & Financial Statements for the Year Ended 31 March 2017

Consolidated Statement of Financial Activities for the Year ended 31 March 2017

		Unrestricted Funds	Restricted Funds	Endowment Funds	2017 Total	2016 Total
	Notes	£'000	£'000	£'000	£'000	£'000
INCOME FROM :						
CHARITABLE ACTIVITIES						
Schools Activities		3,659	1,386	-	5,045	4,850
The Communication Trust (TCT)		45	650	-	695	1,093
Programme Delivery Activities		941	-	-	941	1,020
FROM GENERATED FUNDS						
Donations and Legacies	2	315	741	-	1,056	1,395
Investments	10	19	-	37	56	59
TOTAL INCOMING RESOURCES		4,979	2,777	37	7,793	8,417
EXPENDITURE ON:						
RAISING FUNDS						
Fundraising Costs	4	548	-	-	548	767
		548	-	-	548	767
CHARITABLE ACTIVITIES						
Schools Activities	4	3,377	1,653	55	5,085	5,101
Programme Related Activities (including TCT)	4	1287	1,007	-	2,294	2,855
Awareness Raising & Information	4	382	103	-	485	329
		5,046	2,763	55	7,864	8,285
TOTAL RESOURCES EXPENDED	4	5,594	2,763	55	8,412	9,052
NET (OUTGOING)/INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS						
		(615)	14	(18)	(619)	(635)
Net gain on investments	10	293	-	237	530	221
Transfer between funds		113	-	(113)	-	-
NET MOVEMENT IN FUNDS		(209)	14	106	(89)	(414)
Fund balances brought forward at 1 April		3,647	569	2,648	6,864	7,278
Fund balances carried forward at 31 March	13, 14 & 15	3,438	583	2,754	6,775	6,864

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 99629
Annual Report & Financial Statements for the Year Ended 31 March 2017

Consolidated and Charity Balance Sheets as at 31 March 2017

	Notes	Group		Charity	
		2017	2016	2017	2016
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible Assets	9	1,608	1,729	1,216	1,326
Investments	10	5,057	5,227	3,271	3,630
		6,665	6,956	4,487	4,956
CURRENT ASSETS					
Debtors	11	1,075	934	458	495
Stock		361	215	361	215
Cash at Bank and in Hand		172	262	58	262
		1,608	1,411	877	972
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	12	(1,498)	(1,503)	(880)	(1,064)
NET CURRENT ASSETS/(LIABILITIES)		110	(92)	(3)	(92)
TOTAL ASSETS LESS NET CURRENT LIABILITIES		6,775	6,864	4,484	4,864
ENDOWMENT FUNDS					
Endowment Funds	13	2,754	2,648	463	648
RESTRICTED FUNDS					
Fixed Asset Funds	14	79	113	79	113
Other Funds	14	504	456	504	456
		583	569	583	569
UNRESTRICTED FUNDS					
Designated Funds – Fixed Assets	15	1,105	1,241	1,105	1,241
General Funds	15	2,333	2,406	2,333	2,406
		3,438	3,647	3,438	3,647
TOTAL FUNDS		6,775	6,864	4,484	4,864

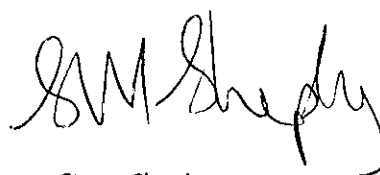
Total funds include the revaluation reserve of £2,435,000 (2016: £2,214,000).

The deficit for the year within the Charity only accounts is £380,000 (2016: £440,000 deficit).

The financial statements on pages 12 to 27 were approved by the Council on 28 June 2017 and signed on its behalf by



Huw Davies
Chair of Trustees



Stuart Shepley
Treasurer

I CAN Charity – Company Number 99629
Annual Report & Financial Statements for the Year Ended 31 March 2017

Consolidated Statement of Cash Flow for the Year Ended 31 March 2017

	Notes	2017	2016
		£'000	£'000
Cash flows from operating activities			
Net cash used by operating activities	A	(750)	(241)
Cash flows from investing activities:			
Dividends and interest from investments		56	59
Purchase of property, plant and equipment		(96)	(86)
Proceeds from sale of investments		700	-
Net cash generated from/(used by) investing activities		660	(27)
Change in cash and cash equivalents in the reporting period		(90)	(268)
Cash and cash equivalents at the beginning of the reporting period		262	530
Cash and cash equivalents at the end of the reporting period	B	172	262
		£'000	£'000
Notes to the Consolidated Cash Flow Statement			
A Net (expenditure)/income for the reporting period		(89)	(414)
Adjustments for:			
Depreciation charges		214	235
(Increase)/Decrease in stock		(146)	44
(Increase)/Decrease in debtors		(141)	382
(Decrease)/Increase in creditors		(5)	(208)
Dividends and interest from investments		(56)	(59)
Gains on investments		(530)	(221)
Loss on disposal of fixed assets		3	-
Net cash outflow from operating activities		(750)	(241)
		£'000	£'000
B Analysis of cash and cash equivalents			
Cash in hand		172	262
Total cash and cash equivalents		172	262

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, other than where new policies have been adopted.

(i) The Charity is a public benefit entity.

(ii) Income

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

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

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

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

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

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

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

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

(iii) Funds

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

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

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

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

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

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

Where required, transfers are made between funds as set out in Notes 13 to 15.

(iv) Expenditure

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

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

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

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

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

(v) Tangible Fixed Assets

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

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

(vi) Investments

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

(vii) Stock

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

(viii) Capital Funds

Included with Endowment Funds are Capital Funds which are assets held on behalf of 2 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 both permanent endowment funds, I CAN Consolidated Fund and Ministering Children's League, have been amalgamated into the Group financial statements. Their Trustee is I CAN and their purposes are consistent with the objectives of I CAN (see Note 10 and 13 for detail of these linked charities).

(ix) Pensions

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

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

(x) The Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Cash Flow Statement include the financial statements of I CAN, its subsidiary undertaking, I CAN Services Limited, and linked charities made up to 31 March 2017 using the acquisition method of accounting on a line by line basis. Intra group transactions and profits are eliminated fully on consolidation.

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

2. Donations and Legacies

	2017	2016
	£'000	£'000
Statutory Grants	-	2
Grant Making Trusts	347	334
Major Gifts	456	660
Corporate Donations and Sponsorship	111	86
Legacies	26	118
Other Donations and Events	116	195
	1,056	1,395

Included in income above are donations from Trustees and key management personnel of £20,927 from seven individuals (2016: £39,881 from seven individuals).

3. Statutory Grants

	2017	2016
	£'000	£'000
Department for Education (DfE)		
Host Agency Grant for TCT	650	932
Engage in Education	-	2
School Grants (Education Funding Agency)	1,344	1,281
Education Endowment Fund	-	106
	1,994	2,321

These grants have been analysed in the SOFA as follows:

Schools Activities	1,344	1,281
TCT	650	1,038
Donations and Legacies	-	2
	1,994	2,321

4. Analysis of Expenditure

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

	Staff Costs	Other	Depreciation	2016 Total
	£'000	£'000	£'000	£'000
Direct charitable expenditure				
Schools	4,136	766	199	5,101
Programme Delivery Activities (including TCT)	1,743	1,091	21	2,855
Awareness Raising & Information	226	97	6	329
	6,105	1,954	226	8,285
Costs of Generating funds				
Fundraising	505	253	9	767
	6,610	2,207	235	9,052

	2017	2016
	£'000	£'000
Staff costs:		
Wages and Salaries	4,926	5,070
Social Security costs	475	427
Other pension and benefit costs	333	332
Agency staff and consultants	384	527
Other staff costs	322	254
	6,440	6,610

Included in the above figures were 6 redundancy payments totalling £29,000 (2016: 1 payment of £1,000).

The average number of employees during the year was 191 (2016: 203). Their full time equivalents would be 160 (2016: 165) which can be apportioned by categories as follows: educational services 140 (2016: 142), fundraising and awareness raising 13 (2016: 15) and administration 7 (2016: 7).

	Number in 2017	Number in 2016
Emoluments of higher paid employees:		
£60,000 to £70,000	3	3
£70,001 to £80,000	2	3

In 2016, emoluments of higher paid employees included payments made to 1 individual in connection with redundancy. There were none in 2017.

Contributions of £17,000 for 2 (2016: £23,000 for 2) higher paid employees were made to the Teachers' Pension Scheme. Contributions of £25,000 (2016: £21,000) were paid to a defined contribution scheme for 3 (2016: 4) higher paid employees.

Key management personnel

Key management personnel of the Charity are the Executive Management as listed on page 7. The total amount of employee benefits for these 8 (2016: 8) positions was £490,000 (2016: £599,000). No amounts were paid to trustees.

5. Allocation of Support Costs

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

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.

Analysis of support costs

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

The prior year comparatives are as follows:

	Occupancy	Human Resources	Finance and Information Technology	Governance (note 6)	2016 Total
	£'000	£'000	£'000	£'000	£'000
Fundraising	101	6	27	9	143
Activity					
Schools	-	97	165	122	384
Programme Delivery Activities	219	24	106	31	380
Awareness Raising & Information	73	4	10	7	94
	393	131	308	169	1,001

Analysis of support costs

	Staff Costs	Other	Depreciation	2016 Total
	£'000	£'000	£'000	£'000
Governance (note 6)	139	30	-	169
Occupancy	84	281	28	393
Human Resources	120	11	-	131
Finance and Information Technology	169	131	8	308
	512	453	36	1,001

6. Governance Costs

	2017	2016
	£'000	£'000
Strategic planning and management	117	138
Auditors' remuneration – audit services	26	29
Auditors' remuneration – other services	5	2
	148	169

7. Consolidated Financial Statements

The Charity has taken advantage of the exemption provided by 408 of the Companies Act 2006 and the Charities SORP (FRS 102) not to publish its own Income and Expenditure account. The deficit for the year within the Charity accounts is £380,000 (2016: £440,000 deficit).

8. Trustees' Remuneration

In accordance with the Charity's Memorandum of Association, no Trustee holds a salaried office with, or receives any emoluments from the Charity. In 2017, 4 Trustees claimed travel and subsistence expenses for attendance at meetings of £2,122 (2016: 1 Trustee claimed £149).

9. Tangible Fixed Assets

	Group				
	Buildings & Renovations	Freehold Property	Leasehold Property	Equipment & Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2016					
Opening Balance	1,173	3,208	196	958	5,535
Additions	73	-	-	23	96
Disposals at cost	-	-	-	(65)	(65)
At 31 March 2017	1,246	3,208	196	916	5,566
Accumulated Depreciation					
At 1 April 2016					
Opening Balance	(1,001)	(1,831)	(178)	(796)	(3,806)
Charge for the year	(67)	(63)	(18)	(66)	(214)
Disposals	-	-	-	62	62
At 31 March 2017	(1,068)	(1,894)	(196)	(800)	(3,958)
Net book values at 31 March 2017	178	1,314	-	116	1,608
Net book values at 31 March 2016	172	1,377	18	162	1,729
	Charity				
Cost					
At 1 April 2016					
Opening Balance	1,173	2,692	196	958	5,019
Additions	73	-	-	23	96
Disposals at Cost	-	-	-	(65)	(65)
At 31 March 2017	1,246	2,692	196	916	5,050
Accumulated Depreciation					
At 1 April 2016					
Opening Balance	(1,001)	(1,718)	(178)	(796)	(3,693)
Charge for the year	(67)	(52)	(18)	(66)	(203)
Eliminated on Disposal	-	-	-	62	62
At 31 March 2017	(1,068)	(1,770)	(196)	(800)	(3,834)
Net book values at 31 March 2017	178	922	-	116	1,216
Net book values at 31 March 2016	172	974	18	162	1,326

10. Investments

	Group		Charity	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
At 1 April 2016	5,227	5,006	3,630	3,445
Additions	-	-	-	-
Disposals	(700)	-	(700)	-
Realised gains	23	-	23	-
Net increase in unrealised gains	507	221	318	185
At 31 March 2017	5,057	5,227	3,271	3,630
Historical cost of investments	2,623	3,012	1,688	2,078

Included within the Group balance is an investment with a value of £1,786,140 (2016: £1,597,525). This relates to the Ministering Children's League Fund which has been aggregated within I CAN's investments by a linking order issued by the Charity Commission.

Investments in both years were held in managed UK investments funds. In 2017, £4,110,000 (2016, £4,413,000) 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 7.

Investment Income	2017	2016
	£'000	£'000
Dividends and interest on Listed Investments	56	59
	56	59

11. Debtors

	Group		Charity	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Debtors for school fees	687	439	-	-
Other Trade Debtors	76	110	76	110
Other Debtors	10	14	10	14
Intra-Group Balances	-	-	70	-
Prepayments and accrued income	302	371	302	371
	1,075	934	458	495

Prepayments and accrued income includes £162,000 due from the DfE (2016: £213,000)

12. Creditors

	Group		Charity	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Creditors	199	92	190	92
Other creditors including tax and Social Security	416	411	416	411
Accruals	234	155	234	155
Intra-Group Balances	-	-	-	155
Deferred Income	649	845	40	251
	1,498	1,503	880	1,064

Deferred income relating to school fees of £594,000 (2016: £753,000) has been released in the year while further income of £609,000 (2016: £ 594,000) was deferred to the following year.

13. Endowment Funds

	As at 1 April 2016	Income	(Expense)	Transfer to other funds	Investment Gains	As at 31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Expendable Endowment						
Countess of Meath	63	-	(7)	-	-	56
Permanent Endowment						
Princess Alice Fund	295	6	(6)	-	38	333
I CAN Consolidated Fund	668	2	(2)	-	10	678
Ministering Children's League Fund	1,622	29	(40)	(113)	189	1,687
Total Group	2,648	37	(55)	(113)	237	2,754

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

With the exception of the Countess of Meath endowment, only income from the endowment funds may be expended by the Charity. The capital itself must be held in perpetuity unless otherwise authorised by the Charity Commission or so permitted under the trust under which the fund was set up. In 2017, £113,000 (2016: £nil) has been transferred from Endowment Funds to General Funds to reflect depreciation to date of the Endowment Asset.

14. Restricted Funds

	As at 1 April 2016	Restricted Income	Restricted Expenditure	Transfer between funds	As at 31 March 2017
	£'000	£'000	£'000	£'000	£'000
Fixed Asset Funds					
Dawn House School	52	-	(14)	-	38
Meath School	9	-	-	-	9
Meath Woodlands project	52	-	(20)	-	32
	113	-	(34)	-	79
Other Funds					
Children's funds					
Dawn House school fundraised funds	-	9	(8)	-	1
Dawn House school restricted income	33	822	(852)	-	3
Dawn House Assessments Hardship fund	12	-	(3)	-	9
	45	831	(863)	-	13
Meath School fundraised funds	58	239	(156)	(8)	133
Meath School restricted income	12	549	(544)	-	17
Meath Residential Centre	183	5	(43)	8	153
Meath Assessments Hardship fund	34	17	(13)	-	38
	287	810	(756)	-	341
Enquiry Service	-	103	(103)	-	-
Programme funding					
Parent Interventions	-	155	(27)	-	128
Early Talk Boost	24	97	(121)	-	-
Talk about Talk Secondary	-	115	(115)	-	-
I CAN other projects	7	16	(8)	-	15
TCT DfE grant	9	-	(9)	-	-
TCT DfE contract	57	650	(707)	-	-
Talk of the Town	20	-	(19)	-	1
TCT other projects	7	-	(1)	-	6
	124	1,033	(1,007)	-	150
	456	2,777	(2,729)	-	504
Total Restricted Funds	569	2,777	(2,763)	-	583

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 Woodlands Project – Funds raised for a Meath School woodland project

Other Funds

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

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

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

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

Meath School fundraised funds – Funds for Meath School to spend 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. Income in the year includes £10,000 from the Wates Foundation.

Enquiry Service – Funds to support the I CAN helpline provide specialist speech & language therapist advice to parents concerned about their children's communication needs.

Programme funding

Parent Interventions – funding received to help children’s communication skills in the early years.

Early Talk Boost – Funds provided by UBS to develop an Early Years programme to support pre-school aged children who have speech and language development needs.

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

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

The Communication Trust Department for Education Grant: Early Years and Childcare: Platform 3: Level 3 online qualification in Speech Language Communication for Childminders.

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

Talk of the Town – Funds provided by the Education funding Agency and individual schools to develop and deliver the Talk of the Town project.

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

15. Unrestricted Funds

	As at 31 March 2016	Income	(Expenditure)	Transfers between Funds	Investment Gains	As at 31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Designated: Fixed Asset Funds						
Schools	1,237	-	(133)	-	-	1,104
Trading Activities	4	-	-	(3)	-	1
	1,241	-	(133)	(3)	-	1,105
General Funds	2,406	4,979	(5,461)	116	293	2,333
Total Unrestricted Funds	3,647	4,979	(5,594)	113	293	3,438

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).

16. Analysis of Group Net Assets

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

	General Funds	Designated Fixed Asset Funds	Restricted Funds	Endowment Funds	As at 31 March 2016 Total
	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	(27)	1,241	113	402	1,729
Investments	3,372	-	-	1,855	5,227
Net current assets/(liabilities)	(939)	-	456	391	(92)
Total net assets	2,406	1,241	569	2,648	6,864

17. Prior year comparator for SOFA

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2016 Total £'000
INCOME FROM:				
CHARITABLE ACTIVITIES				
Schools Activities	3,486	1,364	-	4,850
The Communication Trust (TCT)	53	1,040	-	1,093
Programme Delivery Activities	1,020	-	-	1,020
GENERATED FUNDS				
Donations and Legacies	638	757	-	1,395
Investments	22	-	37	59
TOTAL INCOMING RESOURCES	5,219	3,161	37	8,417
EXPENDITURE ON:				
RAISING FUNDS				
Fundraising Costs	767	-	-	767
	767	-	-	767
CHARITABLE ACTIVITIES				
Schools Activities	3,560	1,496	45	5,101
Programme Related Activities (including TCT)	944	1,911	-	2,855
Awareness Raising & Information	274	55	-	329
	4,778	3,462	45	8,285
TOTAL RESOURCES EXPENDED	5,545	3,462	45	9,052
NET (OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS	(326)	(301)	(8)	(635)
Net gain on Investment	194	-	27	221
NET MOVEMENT IN FUNDS	(132)	(301)	19	(414)
Fund balances brought forward at 1 April	3,779	870	2,629	7,278
Fund balances carried forward at 31 March	3,647	569	2,648	6,864

18. Commitments under Operating Leases

On the 16 April 2015 a new 10 year lease was signed between I CAN Charity and the landlord with annual rental of £132,090. This included a 4 month rent free period as the first payment was due from 16 August 2015. The value of the rent free period has been spread over the ten year period of the lease. The lease includes a break clause after the first 5 years. The total value of the future minimum lease payments under the non-cancellable operating lease for 31 Angel Gate is £383,000. A total of £128,000 has been recognised in the accounts as the lease payments for the 2017 year (2016: £125,000).

	2017	2016
	£'000	£'000
Payment not later than one year	128	128
Payment later than one year and not later than five years	255	383
Payment later than five years	-	-
Total commitments under operating lease	383	511

19. Contingent Liabilities

I CAN Charity received grants from the Department for Education (DfE) towards the cost of building works at its 2 schools: Meath (£132,000) and Dawn House (£832,000). Under the agreements with the DfE if the asset for which the grant was given is subsequently disposed of, the Secretary of State may require repayment of the grant or such amount as he considers represents the value of the proportion of the asset at the date of disposal for which the grant was given. None of the properties were disposed of and therefore the amount which may become repayable cannot be quantified.

20. Capital

The Company is limited by guarantee and has no share capital. The liability of the 17 members under the guarantee is limited to £1 each.

21. Related Party Transactions

In accordance with paragraph 33.1A of FRS 102, the Charity is not required to disclose related party transactions with entities that are wholly owned members of the I CAN Charity Group. There are no other transactions with related parties in 2017 (2016: £4,000).

22. Pension Obligations

The Group participates in 2 pension schemes:

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

The total pension cost for the group was £316,000 (2016: £315,000). Of this, £90,000 (2016: £100,000) 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 2017 and 2016 were based on tiered contribution rates as follows:

Lower Salary	Higher Salary	Rate of contribution
0	25,999	7.40%
26,000	34,999	8.60%
35,000	41,499	9.60%
41,500	54,999	10.20%
55,000	74,999	11.30%
75,000	75,000+	11.70%

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.

