

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021  
FOR  
WINDMILLS PRESCHOOL LIMITED**

Garbetts (IOW) Limited  
Exchange House  
St Cross Lane  
Newport  
Isle of Wight  
PO30 5BZ

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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2021**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The charity offers appropriate play, education and care facilities and training courses together with the right of parents to take responsibility for and become involved in activities such as groups.

The aim of the charity is to ensure that all children from all races, culture, religion and means of ability are seeing the benefit of the aims and objectives set by the Pre-school Learning Alliance.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2021**

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The directors of the preschool present their report on another busy year. Patterns of children in attendance have shown a steady increase year on year, and staffing ratios continue to exceed the statutory requirements. Windmills continues to provide the only preschool service in the village, working alongside local OFSTED-Registered childminders. The directors have continued to supply an active and supportive role within the setting alongside the manager and senior lead team.

Following a year of global upheaval caused by Covid-19, the preschool continued to successfully react to the challenges presented by the ongoing pandemic. Windmills remained open for the full academic year. September to December 2020 saw a cautious return from lockdown with heightened Covid-19 measures in place. January to early March 2021 brought renewed closure to most educational settings. These reverted to keyworker places only except Early Years which was tasked with remaining fully open. Windmills needed to adjust to both child attendance and staff working patterns as some parents opted to keep their children at home. The Breakfast Club service for primary aged children was suspended temporarily. Furlough and flexi-furlough were operated where appropriate. Government guidance was adhered to throughout the Covid-19 affected period. The Local Authority supported the sector by continuing to guarantee Spring 2021 funding in full for non-attending children. From March 2021 the preschool welcomed back all our families using a revised Covid-19 Risk Assessment and Covid-19 Parent Policy that included an alternative drop off/pick up routine. The team continued to reach out to families impacted by the pandemic via the secure online portal Tapestry, our Facebook page, text messaging, phone calls and by email. As part of this ongoing support the preschool was involved with the distribution of Government Food Grants over each holiday period to eligible families.

Despite the challenges presented by Covid-19, the preschool continued to implement initiatives from the Development Plan and an opportunity was taken to assess the exterior of the building. This inspection resulted in a timely installation of a new flat roof funded in full by the primary school. The preschool was also able to complete renovations of both inside plumbing, exterior woodwork and our electronic door systems thanks to the generosity and expertise of local tradespeople. Spring 2021 saw the delivery of the Parish Council's "Dragons Den" funded climbing frame for the garden which was sourced and built locally. Investment in the outside areas will continue with further plans for a large sandbox. This will contribute to the sensory and wellbeing needs of the children amongst many other physical benefits.

Successful safer recruitment continued to maintain the quality and specialist knowledge within the staff team. In the summer term we welcomed a new Deputy to the senior team who is qualified to degree level. A rolling review of policies in relation to the updated statutory framework was undertaken. Training needs for the staff team continued virtually. All statutory training was updated, as was EYFS training. This was in response to changes in curriculum delivery and the augmenting of PLODS (possible lines of direction) with the Small Steps approach, to enable the team to inform the intentions for each child within practice. The team will be reflecting on the new EYFS framework being implemented in September 2021 and how this may inform practice. Our student mentoring continued for a Level 2 placement studying at the local college. The annual safeguarding audit was completed with minimal action points. Our annual parent questionnaire was deferred to a later date because not all children were in attendance for the whole of the year. Written and verbal parent feedback continued to be positive throughout the year.

The preschool continues to see about one third of its families take advantage of the 30-hour central government funding. The preschool is fully proficient in advising parents regarding various funding options through the Childcare Choices government website. As a result of its "Good" OFSTED grading achieved in November 2017 Windmills continues to be able to offer two-year-old funded places, subject to eligibility.

Wraparound care continued when permitted on the preschool site. Windmills continued to operate a Breakfast Club on behalf of the adjacent Primary School. This was the first year operating this service without the Primary School subsidy. The financial impact of running this service will be subject to regular review and any losses have and will be mitigated by the continued affordable rent charges from the primary school.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2021**

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Building on our knowledge and practice of the EYFS statutory requirements, the preschool continues to develop its expertise in referrals for special educational needs. It continues to partner with the adjacent primary school to ensure all children and their families are well equipped for transition between the settings. The preschool's family-focused approach has strengthened partnerships using virtual means with various Trusts, the NHS and local authority groups, which provide appropriate support for the children.

Strong experienced management, combined with a team committed to ongoing professional development, means excellent outcomes for the children. A strong awareness of the mental health impact of Covid-19 has informed staff discussion and training around children's mental health and wellbeing, attachment and resilience and developmental delay. Our "Educate Play Learn" message continues to reflect our ethos. Parents continue to be kept informed on the weekly activities and learning focus via the preschool's Facebook page and via their personal secure access to the Tapestry portal.

The profile of the preschool in the community continues to be strong. Stay and Play/Settling-in Sessions for 2's and above were offered in a Covid-19-safe manner where possible. These help children and parents to familiarise themselves prior to starting preschool. Although local visits to our usual local sites including our intergenerational partners were not possible due to Covid-19, we look forward to resuming outings when it is safe to do so.

The fundraising calendar for 2020-21 was curtailed completely due to Covid-19. Provisional plans are in place to bid for funds for the sandbox (mentioned above) via the annual Parish Council "Dragons Den" process. The preschool children entered the annual Bembridge Village Star competition in December 2020 with their "Windmills Rainbow" themed star as a tribute to hope and perseverance in difficult times. They were awarded "Highly Commended" by the Parish Council.

The preschool continues to ensure its sustainability via the Annual Review. The Development plan is updated regularly to reflect progress and to facilitate forward planning. Fees have been reappraised and increased in line with the increasing staff costs associated with the annual minimum wage uprating. Activities and materials costs have risen steadily in line with the increased number of children. The preschool operating costs have also increased proportionately with the rise in child numbers. Statutory staffing ratios means even more qualified personnel were needed daily.

Although the usual summer term celebrations could not proceed due to Covid-19 the preschool graduation, including gifts and book bag presentations, went ahead but with no parents present. All pictures and videos of the graduation were shared with the parents on Tapestry. A socially distanced transition meeting with the Reception Team held in the Primary school playground afforded opportunity to appraise each school leaver and assess the impact of Covid-19 on their well-being and development.

At the end of the academic year 2020, Windmills looks forward to working in partnership with a new primary school senior team in September 2021. Windmills has strong support from the Primary School and its governors, and the Directors continue to work together to secure the educational future of children aged two to four in the locality.

**FINANCIAL REVIEW**

**Results for the year**

Total incoming resources for the year amounted to £85,395 (2020: £97,959) including £510 of restricted grant income and resources expended for the year amounted to £90,309 (2020: £80,148) including £460 of restricted expenditure. The deficit for the year amounted to £4,914, (2020: surplus of £17,811). It is the policy of the preschool to hold in reserves the equivalent of one month's salary costs.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2021**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

04977468 (England and Wales)

**Registered Charity number**

1103864

**Registered office**

Preschool Unit  
Walls Road  
Bembridge  
Isle of Wight  
PO35 5RH

**Trustees**

Mrs R E Clark  
Mrs J Simmonds  
Mrs J Briggs  
Ms J E Seward (resigned 5.4.22)  
Mr T J Vincent  
Mrs R E Donald

**Company Secretary**

Mr P B Collyer

**Independent Examiner**

Garbetts (IOW) Limited  
Exchange House  
St Cross Lane  
Newport  
Isle of Wight  
PO30 5BZ

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 25 April 2022 and signed on its behalf by:

Mrs R E Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
WINDMILLS PRESCHOOL LIMITED**

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**Independent examiner's report to the trustees of Windmills Preschool Limited ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M Paxton F.C.C.A.  
Garbetts (IOW) Limited  
Exchange House  
St Cross Lane  
Newport  
Isle of Wight  
PO30 5BZ

Date: .....

**WINDMILLS PRESCHOOL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		5,427	510	5,937	12,385
<b>Charitable activities</b>					
Childcare Services		79,364	-	79,364	85,350
Other trading activities	2	90	-	90	221
Investment income	3	4	-	4	3
<b>Total</b>		<u>84,885</u>	<u>510</u>	<u>85,395</u>	<u>97,959</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Childcare Services		90,309	-	90,309	80,148
<b>NET INCOME/(EXPENDITURE)</b>		<u>(5,424)</u>	<u>510</u>	<u>(4,914)</u>	<u>17,811</u>
Transfers between funds	11	460	(460)	-	-
<b>Net movement in funds</b>		<u>(4,964)</u>	<u>50</u>	<u>(4,914)</u>	<u>17,811</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		21,299	-	21,299	3,488
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>16,335</u></u>	<u><u>50</u></u>	<u><u>16,385</u></u>	<u><u>21,299</u></u>

The notes form part of these financial statements



BALANCE SHEET  
31 JULY 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	8	4,027	-	4,027	4,886
<b>CURRENT ASSETS</b>					
Debtors	9	187	-	187	49
Cash at bank and in hand		<u>21,916</u>	<u>50</u>	<u>21,966</u>	<u>25,618</u>
		22,103	50	22,153	25,667
<b>CREDITORS</b>					
Amounts falling due within one year	10	(9,795)	-	(9,795)	(9,254)
<b>NET CURRENT ASSETS</b>		<u>12,308</u>	<u>50</u>	<u>12,358</u>	<u>16,413</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		16,335	50	16,385	21,299
<b>NET ASSETS FUNDS</b>	11	<u>16,335</u>	<u>50</u>	<u>16,385</u>	<u>21,299</u>
Unrestricted funds				16,335	21,299
Restricted funds				<u>50</u>	<u>-</u>
<b>TOTAL FUNDS</b>				<u>16,385</u>	<u>21,299</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

**BALANCE SHEET - continued**  
**31 JULY 2021**

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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25 April 2022 and were signed on its behalf by:

Mrs R E Clark - Trustee

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2021**2. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Fundraising events	<u>90</u>	<u>221</u>

**3. INVESTMENT INCOME**

	2021	2020
	£	£
Bank interest received	<u>4</u>	<u>3</u>

**4. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	<u>1,319</u>	<u>1,229</u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

Mrs R E Clark, a trustee of Windmills Preschool Limited, was paid £9,176 (2020: £7,744) in respect of administration services.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

**6. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	2021	2020
	<u>12</u>	<u>11</u>
Childcare services		

No employees received emoluments in excess of £60,000.

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	12,385	-	12,385
<b>Charitable activities</b>			
Childcare Services	85,350	-	85,350
Other trading activities	221	-	221
Investment income	3	-	3
<b>Total</b>	<u>97,959</u>	<u>-</u>	<u>97,959</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Childcare Services	80,148	-	80,148
<b>NET INCOME</b>	<u>17,811</u>	<u>-</u>	<u>17,811</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	3,488	-	3,488
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>21,299</u>	<u>-</u>	<u>21,299</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2021**8. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 August 2020	5,981	134	6,115
Additions	460	-	460
At 31 July 2021	<u>6,441</u>	<u>134</u>	<u>6,575</u>
<b>DEPRECIATION</b>			
At 1 August 2020	1,196	33	1,229
Charge for year	1,286	33	1,319
At 31 July 2021	<u>2,482</u>	<u>66</u>	<u>2,548</u>
<b>NET BOOK VALUE</b>			
At 31 July 2021	<u>3,959</u>	<u>68</u>	<u>4,027</u>
At 31 July 2020	<u>4,785</u>	<u>101</u>	<u>4,886</u>

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Other debtors	<u>187</u>	<u>49</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Social security and other taxes	337	58
Accrued expenses	<u>9,458</u>	<u>9,196</u>
	<u>9,795</u>	<u>9,254</u>

**11. MOVEMENT IN FUNDS**

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
<b>Unrestricted funds</b>				
General fund	21,299	(5,424)	460	16,335
<b>Restricted funds</b>				
Nursery Equipment Fund	-	510	(460)	50
<b>TOTAL FUNDS</b>	<u>21,299</u>	<u>(4,914)</u>	<u>-</u>	<u>16,385</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2021

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	84,885	(90,309)	(5,424)
<b>Restricted funds</b>			
Nursery Equipment Fund	510	-	510
<b>TOTAL FUNDS</b>	<u>85,395</u>	<u>(90,309)</u>	<u>(4,914)</u>

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
<b>Unrestricted funds</b>			
General fund	3,488	17,811	21,299
<b>TOTAL FUNDS</b>	<u>3,488</u>	<u>17,811</u>	<u>21,299</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	97,959	(80,148)	17,811
<b>TOTAL FUNDS</b>	<u>97,959</u>	<u>(80,148)</u>	<u>17,811</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2021**

**11. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
<b>Unrestricted funds</b>				
General fund	3,488	12,387	460	16,335
<b>Restricted funds</b>				
Nursery Equipment Fund	-	510	(460)	50
<b>TOTAL FUNDS</b>	<u>3,488</u>	<u>12,897</u>	<u>-</u>	<u>16,385</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	182,844	(170,457)	12,387
<b>Restricted funds</b>			
Nursery Equipment Fund	510	-	510
<b>TOTAL FUNDS</b>	<u>183,354</u>	<u>(170,457)</u>	<u>12,897</u>

**Restricted Funds**

Bembridge Parish Council gave £510 to the preschool from its Dragon's Den funding to be used on the purchase of climbing apparatus in the preschool's garden. £460 has been used on the purchase of material and construction of the climbing apparatus, with a balance of £50 remaining.



**12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 July 2021.

**13. GOING CONCERN**

The directors consider that there are no material uncertainties that would cast significant doubt on the ability of the preschool to continue as a going concern.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.