

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025
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 2025**

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 2025. 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 2025**

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The directors of the preschool present their report on another busy year. Patterns of children in attendance increased again 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 supply an active and supportive role within the setting alongside the manager and senior lead team.

The preschool continued to successfully react to the challenges presented by statutory changes, supporting families and extending team knowledge via additional training. Challenges surrounding a backlog in multiagency support including speech & language, social & emotional development, resilience & attachment continue to inform additional training needs for the academic year.

Throughout the academic year, the preschool actively advanced its Development Plan by implementing a series of targeted initiatives. The preschool's curriculum goals were reviewed and adapted to ensure they consistently reflected the core nurturing values. This process was guided by a commitment to maintain a warm and supportive environment for all children, underpinned by an enriched emphasis on outdoor learning opportunities. Building on its established strengths, the preschool integrated beach and forest school experiences into its curriculum, fostering children's connection with nature and supporting their physical, social, and emotional development. These enhancements were designed not only to enrich the daily learning experiences but also to align closely with the principles of the Early Years framework. These outdoor-focused initiatives will inform ongoing curriculum delivery and ensure statutory requirements are met in the months to come.

In Autumn 2024, Windmills Preschool successfully secured funding through the Parish Council's "Community Chest." This enabled the purchase and installation of a robust set of Monkey Bars in the back garden, enhancing the outdoor play area and providing children with additional opportunities for physical development and active play. The acquisition and integration of the Wellcomm speech and language resource has strengthened the preschool's ability to identify children's additional needs. Wellcomm is now a key component of the preschool's triage process, allowing for early detection and targeted support for children requiring assistance with speech and language development. Windmills Preschool continues to implement robust plans to enhance its provision for all children. These include adapting an existing storage room to create a breakout or sensory space, catering to children who benefit from a more individualized and calming environment. Additionally, consideration is being given to transforming the under-canopy outdoor area into a fully enclosed space, which would offer flexible usage according to the needs of different age groups. Both initiatives are essential for ensuring an engaging and adaptable environment that supports the preschool's expanding numbers and diverse needs, especially considering the increased funding entitlements now available to families.

As part of these ongoing improvements, Windmills Preschool has updated its SEND local offer. This information is now accessible to families through the local authority Family Hub website, ensuring transparency and support for children with special educational needs and disabilities.

Windmills Preschool continued to prioritize successful safer recruitment practices to ensure ongoing quality and specialist expertise within its staff team. The role of Senior Early Years Practitioner was awarded to two existing, highly experienced members of staff, providing valuable support to both the Manager and Room Lead & helping to maintain strong leadership and continuity within the preschool setting. The commitment to safeguarding was evident in the regular updating of safer recruitment training. A rolling review of relevant policies was conducted, specifically addressing changes to the statutory framework, including the EYFS safeguarding reforms implemented in readiness for September 2025. Training for staff remained a priority, delivered through virtual and face-to-face sessions. Program topics included peer mentoring, curriculum development for nurseries, inspiring outdoor learning environments, the use of fire in play, and an enhanced focus on autism and neurodiversity. A comprehensive British signing course to further support communication and inclusivity was completed by some of the staff team. All statutory training requirements were updated to reflect the latest EYFS framework released in January 2024. While the curriculum was progressively aligned with the updated framework throughout the year, Windmills Preschool made the conscious decision to maintain its existing staffing ratios, choosing not to adopt the new statutory 1:5 ratio for two-year-olds.

The preschool's commitment to student development continued through the recruitment of two Level 3 apprentices. In September 2024, the annual safeguarding audit was completed with minimal action points, followed by a successful local authority funding audit in December 2024. Windmills Preschool actively sought feedback from parents throughout the year, both written and verbal, and the responses remained consistently positive, reflecting the strong relationships and collaborative approach between the preschool and families.

Throughout the academic year, Windmills Preschool experienced a steady increase in the number of families utilizing the 30-hour extended funding, Universal Credit funding, and Tax-Free Childcare. The preschool staff demonstrated proficiency in advising parents about the wide range of funding options available, utilizing the official Childcare Choices government website as a key resource.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2025**

Following the "Good" in all areas OFSTED rating achieved in June 2023, Windmills Preschool has continued to offer funded places for two-year-olds, pending eligibility criteria. Notably, several families benefited from the new two-year-old funding for working parents, which was introduced in September 2024. This ongoing support has enabled more families to access early years education and care at Windmills Preschool.

Windmills continued running a Breakfast Club for the adjacent Primary School. As in previous years, any minor losses from this service are offset by the school's ongoing affordable rent. As part of a Department for Education initiative, a full review of the wraparound care was conducted and a grant was secured to pilot a scheme starting September 25, offering more Breakfast Club places at a lower cost. After consulting with parents and working closely with the primary school, the preschool now provides extended funded sessions until 4pm, four days a week.

Building upon our comprehensive understanding and application of the EYFS statutory requirements, the preschool has maintained a strong emphasis on developing expertise in referrals for various interventions, including speech and language support, Education Health & Care Plans, and Early Help initiatives. Throughout the year, there has been ongoing engagement with Trauma Informed training, emotional regulation, attachment-focused courses, as well as continued focus on speech and language development. In July, the preschool manager and Level 3 Early Years SENCO, together with the Room Lead, attended the county Early Years conference "Write Away," which concentrated on literacy and mark making. The preschool actively collaborates with the primary school to ensure that all children and their families are thoroughly prepared for a seamless transition between educational settings. The setting's family-centred approach has further strengthened partnerships by utilising both virtual and in-person collaborations with various Trusts, the NHS, and local authority groups, enabling tailored support for each child. Windmills has also become a community champion for Barnardo's, providing multi-agency support to families. The senior leadership team ensures they remain informed of developments at county level by participating in termly Early Years briefings and the annual local Early Years Conference.

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

Windmills Preschool maintains a strong profile within the local community. Stay and Play and Settling-in sessions for newly registered children are provided throughout the year, welcoming prospective families to explore the environment and meet the team. These initiatives support both children and parents, helping them to adjust before formally joining preschool.

The preschool regularly organizes monthly visits to intergenerational partners at the local care home. Additionally, children enjoyed educational trips to the RNLI station, beach, park, village library, and local shops, enriching their experiences beyond the classroom. The preschool also hosted a visit from Ability Dogs 4 Young People, a local charity that trains support dogs for disabled children and young people, further broadening the children's understanding and engagement with the wider community.

The preschool monitors sustainability through the Annual Review process and updates to its Development Plan. Fees were increased to match rising staff costs from the minimum wage uplift taking effect in April 25, and overall expenses have grown with higher enrolment numbers and statutory staffing ratios. Fundraising supports local visibility and resources, while the increased rental agreement will be reassessed before August 26. A summer Graduation at a local Forest School included woodland activities and gifts for school leavers, with EYFS lead involvement. End-of-year meetings and a parent information session with Bernardos supported robust transition processes, and Transition Partnership agreements were implemented as needed.

By the end of 2025, Windmills had strengthened ties with the new primary school's leadership and governors. The Directors remain committed to supporting children aged two to four and are positioned to consider joint expansion and DFE grant opportunities for 25-26.

FINANCIAL REVIEW

Results for the year

Total incoming resources for the year amounted to £174,884 (2024: £143,784) and resources expended for the year amounted to £163,054, (2024: £138,380). The surplus for the year amounted to £11,830, (2024: £5,404). 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 2025

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 Briggs
Mr T J Vincent
Mrs H R Bailey

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 and signed on its behalf by:

.....
Mrs R E Clark - Trustee

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 2025.

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:

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

		Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		200	-	200	238
Charitable activities					
Childcare Services		174,099	-	174,099	142,746
Other trading activities	2	144	-	144	257
Investment income	3	441	-	441	543
Total		<u>174,884</u>	<u>-</u>	<u>174,884</u>	<u>143,784</u>
EXPENDITURE ON					
Charitable activities					
Childcare Services		163,054	-	163,054	138,377
Other		-	-	-	3
Total		<u>163,054</u>	<u>-</u>	<u>163,054</u>	<u>138,380</u>
NET INCOME		11,830	-	11,830	5,404
RECONCILIATION OF FUNDS					
Total funds brought forward		31,633	41	31,674	26,270
TOTAL FUNDS CARRIED FORWARD		<u>43,463</u>	<u>41</u>	<u>43,504</u>	<u>31,674</u>

The notes form part of these financial statements

BALANCE SHEET
31 JULY 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	8	1,536	-	1,536	1,824
CURRENT ASSETS					
Debtors	9	-	-	-	558
Cash at bank and in hand		59,460	41	59,501	42,540
		<u>59,460</u>	<u>41</u>	<u>59,501</u>	<u>43,098</u>
CREDITORS					
Amounts falling due within one year	10	(17,533)	-	(17,533)	(13,248)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>41,927</u>	<u>41</u>	<u>41,968</u>	<u>29,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>43,463</u>	<u>41</u>	<u>43,504</u>	<u>31,674</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET ASSETS		<u>43,463</u>	<u>41</u>	<u>43,504</u>	<u>31,674</u>
FUNDS	12				
Unrestricted funds				43,463	31,633
Restricted funds				41	41
				<u> </u>	<u> </u>
TOTAL FUNDS				<u>43,504</u>	<u>31,674</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

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 onand were signed on its behalf by:

.....
 Mrs R E Clark - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

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.

2. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Fundraising events	144	257
	<u>144</u>	<u>257</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Bank interest received	441	543
	<u>441</u>	<u>543</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025

4. NET INCOME/(EXPENDITURE)

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

	2025	2024
	£	£
Depreciation - owned assets	724	1,832

5. TRUSTEES' REMUNERATION AND BENEFITS

Mrs R E Clark, a trustee of Windmills Preschool Limited, was paid £13,461 (2023: £12,646) in respect of administration services.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2025 nor for the year ended 31 July 2024.

6. STAFF COSTS

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

	2025	2024
	13	13

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	238	238
Charitable activities			
Childcare Services	142,746	-	142,746
Other trading activities	257	-	257
Investment income	543	-	543
Total	143,546	238	143,784
EXPENDITURE ON			
Charitable activities			
Childcare Services	138,377	-	138,377
Other	3	-	3
Total	138,380	-	138,380
NET INCOME	5,166	238	5,404
Transfers between funds	238	(238)	-
Net movement in funds	5,404	-	5,404
RECONCILIATION OF FUNDS			
Total funds brought forward	26,229	41	26,270

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	31,633	41	31,674

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 August 2024	9,176	134	9,310
Additions	436	-	436
At 31 July 2025	9,612	134	9,746
DEPRECIATION			
At 1 August 2024	7,352	134	7,486
Charge for year	724	-	724
At 31 July 2025	8,076	134	8,210
NET BOOK VALUE			
At 31 July 2025	1,536	-	1,536
At 31 July 2024	1,824	-	1,824

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Other debtors	-	558

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Social security and other taxes	668	959
Other creditors	-	24
Accrued expenses	16,865	12,265
	17,533	13,248

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025 £	2024 £
Within one year	-	125

12. MOVEMENT IN FUNDS

	At 1.8.24 £	Net movement in funds £	At 31.7.25 £
Unrestricted funds			
General fund	31,633	11,830	43,463
Restricted funds			
Nursery Equipment Fund	41	-	41
TOTAL FUNDS	<u>31,674</u>	<u>11,830</u>	<u>43,504</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	174,884	(163,054)	11,830
TOTAL FUNDS	<u>174,884</u>	<u>(163,054)</u>	<u>11,830</u>

Comparatives for movement in funds

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	26,229	5,166	238	31,633
Restricted funds				
Nursery Equipment Fund	41	238	(238)	41
TOTAL FUNDS	<u>26,270</u>	<u>5,404</u>	<u>-</u>	<u>31,674</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2025

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	143,546	(138,380)	5,166
Restricted funds			
Nursery Equipment Fund	238	-	238
TOTAL FUNDS	<u>143,784</u>	<u>(138,380)</u>	<u>5,404</u>

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

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.25 £
Unrestricted funds				
General fund	26,229	16,996	238	43,463
Restricted funds				
Nursery Equipment Fund	41	238	(238)	41
TOTAL FUNDS	<u>26,270</u>	<u>17,234</u>	<u>-</u>	<u>43,504</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 £
Unrestricted funds			
General fund	318,430	(301,434)	16,996
Restricted funds			
Nursery Equipment Fund	238	-	238
TOTAL FUNDS	<u>318,668</u>	<u>(301,434)</u>	<u>17,234</u>

Restricted Funds

Bembridge Parish Council gave £238 to the preschool from its Dragon's Den funding to be used on a new gate.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2025.

14. 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.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025**

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	200	238
Other trading activities		
Fundraising events	144	257
Investment income		
Bank interest received	441	543
Charitable activities		
Childcare services	174,099	142,746
Total incoming resources	<u>174,884</u>	<u>143,784</u>
EXPENDITURE		
Charitable activities		
Fixtures and fittings	724	1,830
Other		
HMRC interest	-	3
Support costs		
Other		
Wages	141,365	121,419
Activity expenses	3,882	2,708
Insurance	1,077	873
Meal costs	3,514	3,971
Rent and utilities	4,645	2,303
Training	1,554	750
Stationery and office costs	2,238	1,262
Repairs and renewals	61	226
Sundry expenses	2,269	1,778
Registration fees	270	237
Professional fees	315	-
	<u>161,190</u>	<u>135,527</u>
Governance costs		
Independent examiner's fee	1,140	1,020
Total resources expended	<u>163,054</u>	<u>138,380</u>
Net income	<u><u>11,830</u></u>	<u><u>5,404</u></u>

This page does not form part of the statutory financial statements