



Annual Report & Accounts 2019

**Group Strategic Report,
Report of the Directors and
Financial Statements
For The Year Ended 30 April 2019
for
BEST OF THE BEST PLC**

BEST OF THE BEST PLC
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For The Year Ended 30 April 2019

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BEST OF THE BEST PLC
Company Information
For The Year Ended 30 April 2019

DIRECTORS: W S Hindmarch
R C E Garton
M W Hindmarch
D S P Firth

SECRETARY: Prism Cosec Limited

REGISTERED OFFICE: Unit 2 Plato Place
72/74 St Dionis Road
London
SW6 4TU

REGISTERED NUMBER: 03755182

AUDITOR: Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

BANKERS: Barclays Bank Plc
93 Baker Street
London
W1A 4SD

NOMINATED ADVISORS: finnCap
60 New Broad Street
London
EC2M 1JJ

SOLICITORS: Fieldfisher LLP
Riverbank House
2 Swan Lane
London
EC4R 3TT

BEST OF THE BEST PLC
Group Strategic Report
For The Year Ended 30 April 2019

CHIEF EXECUTIVE'S STATEMENT

During the year we have almost completed our move away from physical retail locations (principally airports) to become, in due course, an entirely online focused operation. With the exception of one remaining site at Birmingham Airport, all customer acquisition activity is focused on driving traffic and registrations to our website both.com.

The transformation to become a pure online business has been a proven success, giving us more flexibility and focus, as well as material efficiency and cost savings. Our investment in marketing continues to increase and has been returning encouraging results. As a result, our competitions, pricing and product strategy are now tailored exclusively for our growing and increasingly diversified online customer base.

Final Results

Revenue for the year ended 30 April 2019 increased by 14.4% to £14.81 million (2018: £12.95 million) and operating profit before exceptional items rose by 31.9% to £2.11 million (2018: £1.60 million). Adjusted earnings per share (excluding exceptional items and associated tax) increased by 32.3% to 17.62p (2018: 13.32p).

£4.5 million of exceptional income was also recognised as a result of the Company's successful claim for overpaid VAT in prior years, offset by £2.0m of exceptional expenses related to retrospective taxation and professional fees. This finally concludes the already well documented VAT claim which has been ongoing since 2013 and the Directors are pleased this has come to a conclusion. Profit before tax including exceptional items was £4.70 million with fully diluted earnings per share (including exceptional items) from continuing operations at 38.52p. Following the conclusion of the VAT claim a tender offer was completed in February 2019 to return £3.5m to qualifying shareholders.

A total of £4.24 million of cash flow was generated from operations during the period (2018: £1.81 million). Net assets at 30 April 2019 stood at £1.28 million (2018: £1.55 million), underpinned by cash balances of £2.54 million (2018: £2.32 million) and our 967-year leasehold office properties valued at £0.95 million. Current cash balances stand in excess of £3.0 million.

The Company is now deriving almost all of its income from our higher margin online operations. During the year we exited our two Gatwick Airport sites as well as our sites at both Edinburgh and Manchester airports. Our only remaining physical site is at Birmingham airport. Although these closures (we previously occupied up to 12 airport sites and several shopping centre sites) have held back the top line revenue growth in the last few years, the business is now much better placed to grow profitably and efficiently. Online sales grew strongly during the period, accounting for £14.3 million of revenue or circa 97% of the total.

Dividends

The Board is recommending a final dividend of 2.0p per share (2018: 1.5p) for the full year ending 30 April 2019 subject to shareholder approval at the Annual General Meeting on 11 September 2019. The final dividend will be paid on 27 September 2019 to shareholders on the register on 13 September 2019. A Special Dividend of 4.5p per ordinary share was also paid to shareholders on 20 July 2018.

Strategy, competitions and pricing

Since inception in 2000, BOTB leased physical sites in locations such as airports and shopping centres to acquire new players, service existing players and encourage customers to play online. However, our costs and in particular rent and staff expenditure in these retail locations continued to increase significantly year-on-year, resulting in reduced efficiency when compared to other available channels.

BEST OF THE BEST PLC
Group Strategic Report (continued)
For The Year Ended 30 April 2019

Through continued trials in previous years, the Company proved it could execute its marketing strategy more effectively using predominantly digital media complemented by traditional advertising channels. The physically serviced airport and retail customers were also disproportionately affecting our pricing strategy and our ability to innovate online. A further positive consequence of the move to becoming a purely online operator has therefore been our ability to design our competitions, pricing and innovations exclusively for the online player.

BOTB's principal competition is the Weekly Dream Car, which continues to perform well and benefit from improvements to the online user experience, pricing and the choice of cars. Together, these incremental changes have had a positive effect on revenues. Our online content and weekly "In the Headlights" edit section provides an incentive for people to keep returning to the site and maintains engagement.

The Lifestyle Competition which features luxury watches, motorbikes, holidays and other gadgets/technology as well as cash prizes also continues to perform encouragingly. There is a substantial overlap with players of our Dream Car competitions, but the range of prizes in the Lifestyle Competition has significantly broadened our addressable market for this affordable offering.

Continued investment in IT development

With the focus now exclusively online, our ability to acquire players and encourage their loyalty – whether playing for the car they have always dreamt about or for the lifestyle prize they really want but cannot justify buying – relies heavily on providing the best possible user experience and seamless checkout on whatever screen or device a customer is viewing.

Over half our revenues and circa 80% of our visits are now on mobile (and tablet) devices. Whilst a new platform and responsive website was deployed in early 2017, we believe there are significant further opportunities to enhance the mobile experience for our customers and to improve conversion rates for both new and existing players.

Our two-weekly development and release cycle is continually refining our technology and introducing new functionality to make using both.com simpler, easier and more accessible for everyone. Improvements to server responsiveness, reporting, device UX analysis specifically for mobile, purchase path streamlining and improved payment integration are planned for the current year. We will also be re-introducing android and iOS apps, to complement an improved mobile website experience.

New player acquisition and CRM

We have continued to invest strongly to attract new customers and during the year BOTB's marketing strategy has delivered encouraging online revenue growth. An enlarged, predominantly in-house marketing team has invested in a multitude of channels across the spectrum, including Social Media, TV, Radio, PR and YouTube Influencers to acquire new players. These players replace those once acquired through our many physical face-to-face channels and, because they were acquired online, respond well to our content, marketing initiatives and to the wider BOTB community.

Social media continues to be a core marketing channel, driving both customer acquisition and brand awareness. Our Facebook page now attracts over 249,000 followers with BOTB's YouTube channel at over 31,000 subscribers, whilst Instagram followers exceed 80,000.

This activity is complemented by campaigns executed on traditional media channels to ensure the Company is promoted to a wide range of ages and demographics. New updated TV creative was run throughout the period and performed at its most efficient level since we first utilised TV advertising in 2015. Investment in print and public relations has secured frequent coverage of weekly winners and is working well to positively support and promote our brand.

BEST OF THE BEST PLC
Group Strategic Report (continued)
For The Year Ended 30 April 2019

Our key business metric is the cost per acquisition of new customers, versus their lifetime value. This metric, which is tracked and analysed in considerable detail across the channels, is the primary driver in dictating where and how we continue to grow our online marketing investment in the year ahead, to acquire new BOTB customers and advocates.

A further focus in this financial year will be on maximising customer retention and engagement and hence lifetime values. A new hire has been made specifically to assist with this project, including a full review of our loyalty programme to promote initiatives.

Outlook

BOTB has delivered increased revenues and profits slightly ahead of management's expectations and remains cash generative, with a strong balance sheet and sufficient funds to invest in our online growth. We believe the streamlined, online-only business is well positioned for the new financial year which has started well and I look forward to updating shareholders on further progress in due course.

KEY PERFORMANCE INDICATORS

The Directors have monitored the performance of the Company and Group with particular reference to the following key performance indicators:

1. Sales, both online and at retail sites, compared to the prior year.
2. Marketing efficiency, calculated using the twelve month Lifetime Value per customer, against the Cost per Acquisition.

RISK MANAGEMENT

In order to execute the Company's strategy, the Company will be exposed to both financial and non-financial risks. The Board has overall responsibility for the Company's risk management and it is the Board's role to consider whether those risks identified by management are acceptable within the Company's strategy and risk appetite. The Board therefore regularly reviews the principal risks and considers how effective and appropriate the controls that management has in place to mitigate the risk exposure are and will make recommendations to management accordingly.

Financial Risk Management

Credit risk

The exposure to credit risk is limited to the carrying amounts of financial assets. There is considered to be little exposure to credit risk arising on receivables due to the low value of receivables held at the year-end. The credit risk arising on cash balances is limited because the third parties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

Sufficient cash balances are maintained to ensure that there are available funds for operations. Operations are financed principally from equity and cash reserves.

BEST OF THE BEST PLC
Group Strategic Report (continued)
For The Year Ended 30 April 2019

Non-financial Risk Management

Interruption to website and associated IT infrastructure

As the Company and Group now operate substantially online, they are heavily reliant on the effective operation of their website and associated IT infrastructure. Any interruption to the website or IT infrastructure would therefore have an immediate and significant impact on the Company and Group.

The Company and Group have various processes and controls in place to ensure the likelihood of interruption is minimised and, in the unlikely event that the website or IT infrastructure failed, it could be returned to operation in a short space of time. This includes having contracts in place with third party suppliers to ensure any potential source of interruption is identified promptly and also to ensure that data, including customers' data, is protected.

Management and key personnel

The success of the Company and the Group to a significant extent is dependent on the Executive Directors and other senior managers. To mitigate the risk of losing such personnel, the Company and Group endeavour to ensure that they are fairly remunerated and well incentivised.

Regulatory change

The Company and Group currently operate weekly skilled competitions, which are not regulated. This could be subject to change in the future and the Company and Group continue to seek appropriate legal advice to ensure they comply with all relevant legislation and licensing.

ON BEHALF OF THE BOARD



.....
William Hindmarch
Chief Executive
19 June 2019

BEST OF THE BEST PLC
Corporate Governance Report
For The Year Ended 30 April 2019

CHAIRMAN'S STATEMENT

Dear Shareholder,

As Chairman, my role includes upholding the highest levels of corporate governance throughout the Company, particularly at Board level. It therefore gives me great pleasure to introduce our Governance Statement.

The Principles of Corporate Governance

As a Board, we aim towards high standards of corporate governance and recognise its importance in supporting our strategic goals and long-term success. The Company is listed on AIM and is therefore required to provide details of a recognised corporate governance code that the Board of Directors has decided to apply. In 2018 we reviewed our corporate governance framework in response to AIM rule changes and deemed it appropriate to adopt the Quoted Companies Alliance Code ("QCA Code").

We continue to consider that the QCA Code is the most appropriate governance code for the Group to apply, being more applicable for small and mid-sized companies than the UK Corporate Governance Code which would be both unwieldy and costly to comply with fully. The Company is committed to applying the QCA Code in a way which best serves our stakeholders, given the size and nature of the Group. We explain further below how we adhere to the ten principles of the QCA Code, in four key areas.

Delivering Growth

The Board has collective responsibility for setting the strategic aims and objectives of the Group. These aims are articulated in the Chief Executive Officer's statement in the Annual Report. In the course of implementing these strategic aims, the Board takes into account the expectations of the Company's shareholder base and also its wider stakeholder and social responsibilities.

The Board also has responsibility for the Group's internal control and risk management systems and structures. Our risk management process is embedded into the business and starts at Board level but is delivered throughout the Group.

Risk Management

The Board has overall responsibility for the effective management of all risks to which the Company is exposed. Details of the Board's approach to risk management are set out on pages 4 and 5.

Maintaining a Dynamic Management Framework

As Chairman, I consider both the operation of the Board as a whole and the performance of individual Directors regularly. An internal evaluation of the Board led by the Company Secretary and myself has been carried out this year. Confidential questionnaires were completed by all Board members and the results discussed by the full Board.

Building Trust

Responsibility for the overall leadership of the Group and setting the Group's values and standards sits with the Board. BOTB is a customer facing and customer focussed organisation, seeking to deliver an excellent experience to everyone we serve. Our business is based heavily on trust and customer feedback is actively sought using independent third parties, including Feefo and Trustpilot, as well as through social media forums such as Facebook, Twitter, YouTube and Instagram.

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2019

We strive to maintain the highest standards of probity, integrity and transparency in the operation of our competitions, in our financial affairs and whilst interacting with customers, staff, shareholders and other stakeholders. In line with our strategy, the Directors and senior management seek to provide an entrepreneurial culture for our employees, whilst encouraging the strongly ethical expansion of our competition offerings to new customers, both in the UK and internationally.

Senior management supports our team to learn continuously and offers opportunities for training, in order to grow both together and as individuals. We seek to improve ourselves, our processes and our business to deliver long-term shareholder value and a growing and contented customer base. We strive to support each other and to be good stewards of our assets, of our relationships with customers, staff, suppliers and ultimately of our Company's reputation.

During the year, BOTB has undertaken a number of investor relations activities to support our shareholders. These include various investor roadshows in combination with the publishing of our bi-annual financial results. Investors are also actively encouraged to attend our AGM and our Board sees this as an important event in the annual calendar to meet with and talk to shareholders and other stakeholders.

Throughout the year, the Board has continued to review governance and the Group's corporate governance framework. We reviewed our governance against the new QCA Code in June 2019 and will do so annually as required by AIM Rule 26.

Michael Hindmarch
Non-Executive Chairman
19 June 2019

BOARD STRUCTURE AND OPERATION

The Board consists of four Directors – Michael Hindmarch the Non-executive Chairman, David Firth, an independent Non-executive Director, William Hindmarch the Chief Executive of the Group and Rupert Garton, an Executive Director. Both William Hindmarch and Rupert Garton are heavily involved in the day to day running of the Group. It is considered that this gives the necessary mix of industry specific and broad business experience necessary for the effective governance of the Group.

There are certain matters specifically reserved to the Board for its decision which includes approvals of major expenditure and investments and key policies. Board meetings are held on a regular basis and effectively no decision of any consequence is made other than by the Board. The Directors also have ongoing contact on a variety of issues between formal meetings. All Directors participate in the key areas of decision making, including the appointment of new directors. A schedule of regular matters to be addressed by the Board and its Board Committees is agreed on an annual basis. The agenda for the board meetings is prepared by the Company Secretary in consultation with the Chief Executive of the Board.

The Board is responsible to shareholders for the proper management of the Group. A Statement of Directors' Responsibilities in respect of the financial statements is set out on page 15. The Non-Executive Directors have a particular responsibility to ensure that the strategies proposed by the Executive Directors are fully considered. To enable the Board to discharge its duties, all of the Directors have full and timely access to all relevant information. The Board is supported in its work by Board Committees, which are responsible for a variety of tasks delegated by the Board.

All Directors have access to the Company Secretary. The role of Company Secretary is fulfilled by Prism Cossec Limited ('Prism') a company secretarial and corporate governance practice. Prism provides full company secretarial support to the Board. The Prism representatives that assist the Company are qualified Chartered Secretaries and therefore suitably experienced to provide the necessary governance related support to the Board.

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2019

All of the Directors submit themselves for re-election at the Annual General Meeting at regular intervals. The Non-Executive Directors are appointed under fixed term contracts of no more than one year. The Directors who served during the year, and a brief biography of each, is set out below.

William Hindmarch, age 45 – Chief Executive

William graduated from the University of Durham in 1996 and joined Kleinwort Benson as a graduate trainee. He founded the business in 1999 and has been Chief Executive for 19 years.

Rupert Garton, age 44 – Commercial Director

Rupert graduated from the University of Durham in 1997 and joined JP Morgan as a graduate trainee. Later, he spent seven years in Dresdner Kleinwort Wasserstein's equity capital markets and corporate finance divisions working in London, Milan and Johannesburg. In 2003, he then completed an MBA at the Oxford University Said Business School, before joining a specialist retailer as Commercial Director. He joined the Group in January 2006.

Michael Hindmarch D.L., age 79 – Chairman and Non-Executive Director

Michael qualified as a Polymer Technologist at the National College of Rubber and Plastics Technology, London. He founded Plantpak (Plastics) Limited, a horticultural plastics company, in 1970. In 1985, he reversed Plantpak into Falcon Industries Plc, a listed conglomerate, becoming Chairman and Chief Executive Officer. Since 1990, he has acted as an independent business consultant to a number of companies. Michael served as High Sheriff of Essex 2010/2011 and is a Deputy Lieutenant of the County.

David Firth, age 58 – Non-Executive Director and chairman of the audit committee

David is a Fellow of the Institute of Chartered Accountants in England and Wales and is a highly experienced PLC board member. He was Finance Director of Penna Consulting plc from 1999 to 2016 and has held a number of board positions in public companies over the past 30 years across various sectors including HR consultancy and recruitment, IT services, financial markets, motor retailing and advertising. He is a non-executive director of Parity Group Plc, an IT services and consultancy business where he is chairman of its audit and remuneration committees. He is also a non-executive director of Summerway Capital plc where he is chairman of its audit and remuneration committees.

Training and Development

Directors are encouraged to attend training and continuing professional development courses as required. The Company Secretary provides full updates at each Board meeting on governance and regulatory matters. An induction programme is also provided to any Directors joining the Board.

Time Commitment

The time commitment expected of the Non-Executive Directors is set out in their letters of appointment. The nature of the role makes it difficult to place a specific time commitment however, a minimum of two days per month is what the Company anticipates as reasonable for the proper performance of duties. Directors are expected to attend all Board and Committee meetings.

The Board has established an Audit Committee and Remuneration Committee, each of which have written terms of reference. Given the size of the Board there is no separate Nominations Committee, and all of the Board participates in the appointment of new Directors.

Board Evaluation

An internal evaluation of the Board led by the Chairman and the Company Secretary has been carried out this year. Confidential questionnaires were completed by all Board members and the results discussed by the

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2019

full Board. The output of the evaluation was positive. The Board found the evaluation exercise useful and agreed that discussions were open and constructive with the right amount of time being spent on strategy, risk and governance in the Board meetings. Topics for future meetings were suggested and will be added to the Board agenda calendar.

AUDIT COMMITTEE REPORT

The Audit Committee comprises the Non-Executive Directors – David Firth and Michael Hindmarch. The Committee Chairman, David Firth, has extensive financial experience and is a Chartered Accountant.

The Audit Committee meets as often as it deems necessary but, in any case, at least twice a year. These meetings are scheduled at appropriate intervals in the reporting and audit cycle.

Although only members of the Committee have the right to attend meetings, standing invitations are extended to the Executive Directors who attend meetings as a matter of practice. The external auditor also usually attends and has the opportunity to meet with the Committee without the executive management present.

Duties

The main duties of the Audit Committee are set out in its Terms of Reference and include the following:

- To monitor the integrity of the financial statements of the Company, including its annual and half-year reports;
- To review and challenge where necessary the consistency of and any changes to accounting policies, the methods used to account for significant or unusual transactions and whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor, and all material information presented with the financial statements;
- To keep under review the effectiveness of the Company’s internal control and risk management systems and to review and approve the statements to be included in the Annual Report concerning internal controls and risk management;
- To regularly review the need for an internal audit function;
- To consider and make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, in relation to the appointment, reappointment and removal of the Company’s external auditor;
- To oversee the relationship with the external auditor including approval of their remuneration, approval of their terms of engagement, annual assessment of their independence and objectivity, taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;
- To meet regularly with the external auditor and at least once a year, without management present to discuss any issues arising from the audit;
- To review and approve the Audit Plan and review the findings of the audit.

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2019

The principal areas of focus for the Committee during the year included the following items:

- Review of internal controls;
- Review of the external auditor’s report and significant issues from the audit report;
- Review of the Annual Report and financial statements;
- Approval of the management representation letter;
- Review of the independence of the auditor, review of auditor’s fees and engagement letter.

Role of the external auditor

The Audit Committee monitors the relationship with the external auditor, Wilkins Kennedy Audit Services, to ensure that the auditor’s independence and objectivity are maintained. The Committee assesses the independence of the external auditor and the effectiveness of the external audit process before making recommendations to the Board in respect of their appointment or reappointment. In assessing independence and objectivity, the Committee considers the level and nature of services provided by the external auditor as well as the confirmation from the external auditor that they have remained independent within the meaning of the APB Ethical Standards.

The Committee’s assessment of the external auditor’s independence took into account the non-audit services provided during the year. The Committee concluded that the nature and extent of the non-audit fees did not compromise the independence of the auditor. Having reviewed the auditor’s independence and performance, the Audit Committee is recommending that Wilkins Kennedy Audit Services be reappointed as the Company’s auditor at the next Annual General Meeting.

Internal audit

The need for an internal audit function is assessed and it is considered that in light of the control environments within the business there is no current requirement for a separate internal audit function.

Audit process

The external auditor prepares an Audit Plan for their review of the full year financial statements. The Audit Plan sets out the scope of the audit, areas to be targeted and audit timetable. Following their review, the auditor presents their findings to the Audit Committee for discussion. No major areas of concern were highlighted by the auditor during the year.

David Firth
Chairman of the Audit Committee
19 June 2019

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2019

REMUNERATION COMMITTEE

The Remuneration Committee, comprising of Michael Hindmarch (Chairman of the Committee) and David Firth, is responsible for making recommendations to the Board on the Group's framework of executive remuneration and its cost. The Committee determines the contract terms, remuneration and other benefits for each of the Executive Directors. The Board itself determines the remuneration of the Non-Executive Directors. The Report of the Remuneration Committee is set out on pages 12 and 13.

BOARD MEETING ATTENDANCE

Directors' attendance at scheduled Board meetings is shown below:

	<i>Number of Board meetings attended</i>
William Hindmarch	6/6
Rupert Garton	6/6
Michael Hindmarch	6/6
David Firth	6/6

Further ad hoc Board meetings were held during the year.

INTERNAL FINANCIAL CONTROL

The Board acknowledges its responsibility for establishing and monitoring the Group's systems of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately. The Group maintains a comprehensive process of financial reporting. The annual budget is reviewed and approved by the Board before being formally adopted. Other key procedures that have been established and which are designed to provide effective control are as follows:

Management structure – The Board meets regularly to discuss all issues affecting the Group.

Investment appraisal – The Group has a clearly defined framework for investment appraisal and approval is required by the Board, where appropriate.

The Board regularly reviews the effectiveness of the systems of internal control and considers the major business risks and the control environment. No significant deficiencies have come to light during the period and no weaknesses in internal financial control have resulted in any material losses, or contingencies which would require disclosure, as recommended by the guidance for directors on reporting on internal financial control.

RELATIONS WITH SHAREHOLDERS

The Chief Executive is the Group's principal spokesperson with investors, fund managers, the press and other interested parties. Following the announcement of the interim and full year results, the investor road shows are carried out and, at the Annual General Meeting, private investors are given the opportunity to question the Board.

This year's Annual General Meeting will be held on 11 September 2019. Notice of the Annual General Meeting is set out at the back of this document.

BEST OF THE BEST PLC
Report of the Remuneration Committee
For The Year Ended 30 April 2019

This report does not constitute a Directors' Remuneration Report in accordance with the Directors' Remuneration Regulations 2007, which do not apply to the Company as it is not fully listed. This Report sets out the Company's policy on Directors' remuneration, including emoluments, benefits and other share-based awards made to each Director.

REMUNERATION COMMITTEE

The members of the Committee are Michael Hindmarch (Chairman of the Committee) and David Firth.

Details of the remuneration of each Director are set out below.

No Director plays a part in any discussion about his own remuneration.

Executive remuneration packages are prudently designed to attract, motivate and retain Directors of high calibre, who are needed to drive and maintain the Company's and the Group's position as a market leader and to reward them for enhancing value to the shareholder.

REMUNERATION POLICY

Certain Directors may have options granted to them under the terms of the approved and unapproved share option schemes which are open to other qualifying employees. The reason for the schemes is to incentivise and retain the Directors and key personnel and enable them to benefit from the increased market capitalisation of the Company. The exercise of options under the scheme is based upon the satisfaction of conditions relating to the share price. The conditions vary from grant to grant.

As at 30 April 2019, no Directors held options in the Company (2018: Nil).

PENSION ARRANGEMENTS

During the year, the Company provided £20,000 (2018: £20,000) in respect of the Executive Director pension payments. At the year end, £Nil (2018: £Nil) was outstanding and owing to the scheme.

DIRECTORS' CONTRACTS

It is the Company's policy that Executive Directors should have contracts with an indefinite term providing for a maximum of six months' notice. In the event of early termination, the Directors' contracts provide for compensation, where appropriate, up to a maximum of basic salary for the notice period.

NON-EXECUTIVE DIRECTORS

The fees of Non-Executive Directors are determined by the Board as a whole, having regard to the commitment of time required and the level of fees in similar companies. Non-Executive Directors are engaged on renewable fixed term contracts not exceeding one year.

DIRECTORS' REMUNERATION

<i>Director</i>	<i>Benefits</i>	<i>Salary</i>	<i>Bonus</i>	<i>Pension</i>	<i>Fees paid to</i>	<i>30 April</i>	<i>30 April</i>
	<i>in kind</i>				<i>third parties</i>	<i>Total</i>	<i>Total</i>
	£	£	£	£	£	£	£
Rupert Garton	10,967	150,000	80,000	10,000	–	250,967	228,590
William Hindmarch	7,720	150,000	80,000	10,000	–	247,720	226,268
Michael Hindmarch	–	–	–	–	12,000	12,000	12,000
David Firth	–	18,030	–	–	–	18,030	6,000

BEST OF THE BEST PLC
Report of the Remuneration Committee (continued)
For The Year Ended 30 April 2019

APPROVAL

The report was approved by the Board of Directors and authorised for issue on 19 June 2019 and signed on its behalf by:



.....
M W Hindmarch
Chairman of the Remuneration Committee
19 June 2019

BEST OF THE BEST PLC
Report of the Directors
For The Year Ended 30 April 2019

The Directors of Best of the Best PLC present their report for the year ended 30 April 2019. Particulars of important events affecting the Company and its subsidiary and likely future developments may be found in the Strategic Report on pages 2 to 5.

DIRECTORS

The Directors during the year and summaries of their experience are set out on page 8. The Directors who held office during the year and their beneficial interest in the share capital of the Company at 30 April 2019 were as follows:

	<i>30 April 2019</i>	<i>30 April 2018</i>
William Hindmarch*	4,725,658	5,086,851
Rupert Garton	1,389,467	1,502,124
Michael Hindmarch	832,023	899,722
David Firth	4,623	5,000

*William Hindmarch's shares are held jointly with his wife Philippa Hindmarch

DIVIDENDS

Details of dividends paid during the year and declared as at the date of this report are set out in the Strategic Report on page 2.

SHARE CAPITAL

Details of the Company's share capital are set out in Note 19. The Company's share capital consists of one class of ordinary share, which does not carry rights to fixed income. As at 30 April 2019, there were 9,377,253 ordinary shares of 5p each in issue. Ordinary shareholders are entitled to receive notice and to attend and speak at general meetings. Each shareholder present in person or by proxy (or by duly authorised corporate representatives) has, on a show of hands, one vote. On a poll, each shareholder present in person or by proxy has one vote for each share held.

Other than the general provisions of the Articles (and prevailing legislation) there are no specific restrictions on the size of a holding or on the transfer of the Ordinary shares.

The Directors are not aware of any agreements between holders of the Company's shares that may result in the restriction of the transfer of securities or on voting rights. No shareholder holds securities carrying any special rights or control over the Company's share capital.

On 15 February 2019, subject to a circular dated 30 January 2019, shareholders approved a proposed tender offer by finnCap Ltd to purchase Ordinary shares in the Company up to approximately 7.1% of the issued share capital at a price of 485 pence per share. Further to a repurchase agreement between the Company and finnCap Ltd, the Company exercised the call option and re-purchased and subsequently cancelled 721,327 Ordinary Shares at a price of 485 pence per share.

AUTHORITY TO PURCHASE OWN SHARES

At the 2018 Annual General Meeting, the Company was authorised by shareholders to purchase up to 1,009,858 of its own shares, representing approximately 10 per cent. of the total issued share capital. This authority will expire at the forthcoming Annual General Meeting and a resolution to renew the authority for a further year will be sought.

BEST OF THE BEST PLC
Report of the Directors (continued)
For The Year Ended 30 April 2019

SUBSTANTIAL SHAREHOLDERS

As at 19 June 2019, the Company had been advised of the following notifiable interests (whether directly or indirectly held) in its voting rights (other than the Directors' interests, already disclosed).

<i>Name</i>	<i>Shareholding</i>	<i>Percentage</i>
Stancroft Trust Limited	726,744	7.75
Octopus Investment Management	270,993	2.89

POLITICAL CONTRIBUTIONS

The Company has made no political contributions during the year (2018: £Nil).

CHARITABLE DONATIONS

Charitable donations during the year amounted to £3,401 (2018: £3,699).

DISCLOSURE IN THE STRATEGIC REPORT

The Company has chosen, in accordance with Section 414C of the Companies Act 2006, to set out the following information in the Group Strategic Report which would otherwise be required to be contained in the Report of the Directors:

- Outlook
- Risk management, including financial risk management and non-financial risk management.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

BEST OF THE BEST PLC
Report of the Directors (continued)
For The Year Ended 30 April 2019

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditor is unaware and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

AUDITOR

The auditor, Wilkins Kennedy Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



.....
W S Hindmarch
Director
19 June 2019

BEST OF THE BEST PLC
Report of the Independent Auditor
For The Year Ended 30 April 2019

Opinion

We have audited the financial statements of Best of the Best PLC (the ‘Parent Company’) and its subsidiary (the ‘Group’) for the year ended 30 April 2019 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (“IFRSs”) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 30 April 2019 and of the Group’s profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group’s or the Parent Company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

BEST OF THE BEST PLC
Report of the Independent Auditor (continued)
For The Year Ended 30 April 2019

Matter

The revenue cycle includes fraudulent transactions

Under ISA (UK) 240, there is a presumed risk that revenue may be misstated due to improper revenue recognition. Furthermore, as explained in Note 2.1 to the financial statements, the Company and Group have adopted IFRS 15 *Revenue from Contracts with Customers* during the financial year under review. Under IFRS 15, revenue from contracts with customers is recognised once the relevant contractual terms relating to the performance obligations have been achieved and other recognition criteria have been met.

We identified a risk that revenue may be misstated, either through inappropriate revenue recognition or through the incorrect application of IFRS 15.

Management override of controls

Under ISA (UK) 240, there is a risk of fraud due to management override of internal controls to manipulate financial reporting present in all entities.

We also identified specific account balances and transactions during our planning which are calculated by reference to management's judgements and estimates and which we therefore concluded require specific consideration.

How we addressed the matter in our audit

We substantively tested a sample of entries to the revenue accounts to ensure that improper entries are not being recorded in those revenue accounts. Our testing of revenues also included performing cut-off procedures to ensure that revenue is recognised in the correct accounting period.

We evaluated management's approach to addressing the adoption of IFRS 15 as well as their assessment that adoption of the Standard had not resulted in a change to how and when the Company and Group accounts for revenues compared to the previous applicable Standard, IAS 18 *Revenue*.

Based on these procedures, we concluded that no improper entries had been made to the revenue accounts.

We also concluded that the Company and Group had correctly adopted and applied IFRS 15 in all material respects.

We reviewed those parts of the financial statements which may be more susceptible to management override of internal controls. In particular, where we identified account balances and transactions which required a significant degree of management judgement and estimation, we reviewed those balances and transactions to understand if the judgements and estimates made by management appeared reasonable. These account balances and transactions included the calculation of the onerous lease provision and presentation and disclosure of exceptional items.

Based on our review, we concluded that no management override of internal controls had taken place.

We also concluded that the judgements and estimates made by management when preparing the financial statements appear reasonable and free from bias.

BEST OF THE BEST PLC
Report of the Independent Auditor (continued)
For The Year Ended 30 April 2019

Matter

The Company completed a Tender Offer and subsequent share re-purchase during the year and subsequently cancelled the shares.

We identified a risk that the accounting entries associated with the Tender Offer and subsequent share re-purchase may not be correct. Furthermore, the Tender Offer and subsequent share re-purchase substantially depleted the Company's distributable reserves and we identified a risk that the Company and Group may be operating with limited working capital headroom.

How we addressed the matter in our audit

We reviewed the accounting entries made to ensure that the Tender Offer and subsequent share re-purchase and cancellation is correctly presented and disclosed in the financial statements.

We also reviewed management's latest forecasts to understand if the Company and Group had adequate financial resources to meet their ongoing working capital requirements.

We concluded that the management assessment that the Company and Group have sufficient working capital to meet their financial obligations as they fall due appears reasonable.

Our application of materiality

We define materiality for the financial statements as a whole as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work. Materiality was determined as follows:

Measure

Financial statements as a whole

Group

£96,000 (2018: £87,500), which was calculated by reference to the Company's profit before tax. Exceptional income and exceptional expense items were excluded from the calculation.

Performance materiality used to drive the extent of our testing

50% of financial statement materiality

Specific materiality

We determined a lower level of materiality for certain specific areas, such as directors' remuneration and related party transactions.

Communication of misstatements to the Audit Committee

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £4,800 (2018: £4,375).

Parent Company: The net result and financial position of the subsidiary undertaking is immaterial to the Group financial statements. The materiality threshold calculated for the Parent Company has therefore also been applied to the Group.

BEST OF THE BEST PLC
Report of the Independent Auditor (continued)
For The Year Ended 30 April 2019

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we obtained sufficient appropriate audit evidence to be able to give an opinion on the financial statements as a whole, taking in to account the Group structure as well as its accounting processes and controls.

All audit work required for the purpose of forming an opinion on the Parent Company's and the Group's financial statements was undertaken by the Group engagement team. The Parent Company had one wholly owned subsidiary company throughout the year and liquidated a second subsidiary company during the year. Neither subsidiary company is considered to be significant to the Group results or financial position and a limited review was therefore undertaken by the Group engagement team for the purpose of the audit of the Group financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

BEST OF THE BEST PLC
Report of the Independent Auditor (continued)
For The Year Ended 30 April 2019

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 15, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Wilkins Kennedy Audit Services

Ian Jefferson (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor, Regis House
45 King William Street
London EC4R 9AN

19 June 2019

BEST OF THE BEST PLC
Consolidated Statement of Comprehensive Income
For The Year Ended 30 April 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
CONTINUING OPERATIONS			
Revenue		14,806,972	12,947,716
Cost of sales		(6,541,790)	(5,504,906)
GROSS PROFIT		<u>8,265,182</u>	<u>7,442,810</u>
Administrative expenses		(6,157,945)	(5,843,662)
OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS		<u>2,107,237</u>	<u>1,599,148</u>
Exceptional income	6	4,597,926	–
Exceptional expense	6	(2,023,500)	–
OPERATING PROFIT		<u>4,681,663</u>	<u>1,599,148</u>
Finance income	8	17,902	947
PROFIT BEFORE INCOME TAX	9	4,699,565	1,600,095
Income tax	10	(858,411)	(253,077)
PROFIT FOR THE YEAR		<u>3,841,154</u>	<u>1,347,018</u>
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translating foreign operations		(55)	1,578
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(55)</u>	<u>1,578</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,841,099</u>	<u>1,348,596</u>
Profit attributable to:			
Owners of the parent		<u>3,841,154</u>	<u>1,347,018</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>3,841,099</u>	<u>1,348,596</u>
Earnings per share expressed in pence per share			
Basic from continuing operations	12	38.54	13.32
Diluted from continuing operations	12	38.52	13.29
Adjusted basic from continuing operations	12	17.62	13.32
Adjusted diluted from continuing operations	12	<u>17.61</u>	<u>13.29</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Financial Position
As at 30 April 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	9,200	127,316
Property, plant and equipment	15	1,117,368	1,144,830
Investments	16	–	–
Deferred tax	21	12,578	40,445
		<u>1,139,146</u>	<u>1,312,591</u>
CURRENT ASSETS			
Trade and other receivables	17	159,756	150,123
Cash and cash equivalents	18	2,544,636	2,322,073
		<u>2,704,392</u>	<u>2,472,196</u>
TOTAL ASSETS		<u>3,843,538</u>	<u>3,784,787</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	468,860	504,926
Share premium		199,324	199,324
Capital redemption reserve		236,517	200,451
Foreign exchange reserve		26,372	26,427
Retained earnings		351,641	614,838
TOTAL EQUITY		<u>1,282,714</u>	<u>1,545,966</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	1,792,894	1,929,039
Tax payable		407,930	103,232
Provision	22	360,000	206,550
TOTAL LIABILITIES		<u>2,560,824</u>	<u>2,238,821</u>
TOTAL EQUITY AND LIABILITIES		<u>3,843,538</u>	<u>3,784,787</u>

The financial statements were approved by the Board of Directors on 19 June 2019 and were signed on its behalf by:



W S Hindmarch
Director

The notes form part of these financial statements

BEST OF THE BEST PLC
Company Statement of Financial Position
As at 30 April 2019

	<i>Notes</i>	<i>2019</i>	<i>2018</i>
		£	£
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	9,200	127,316
Property, plant and equipment	15	1,117,368	1,144,830
Investments	16	–	–
Deferred tax	21	12,578	40,445
		<hr/>	<hr/>
		1,139,146	1,312,591
CURRENT ASSETS			
Trade and other receivables	17	159,756	149,733
Cash and cash equivalents	18	2,544,311	2,315,988
		<hr/>	<hr/>
		2,704,067	2,465,721
TOTAL ASSETS			
		<hr/>	<hr/>
		3,843,213	3,778,312
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	468,860	504,926
Share premium		199,324	199,324
Capital redemption reserve		236,517	200,451
Retained earnings		372,240	635,682
		<hr/>	<hr/>
TOTAL EQUITY		1,276,941	1,540,383
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	1,798,342	1,927,439
Tax payable		407,930	103,940
Provision	22	360,000	206,550
		<hr/>	<hr/>
TOTAL LIABILITIES		2,566,272	2,237,929
TOTAL EQUITY AND LIABILITIES			
		<hr/>	<hr/>
		3,843,213	3,778,312

The profit attributable to shareholders dealt with in the financial statements of the Company was £3,840,909 (2018: £1,488,635).

The financial statements were approved by the Board of Directors on 19 June 2019 and were signed on its behalf by:



W S Hindmarch
 Director

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Changes in Equity
For The Year Ended 30 April 2019

	<i>Called up share capital £</i>	<i>Share premium £</i>	<i>Capital redemption reserve £</i>
Balance at 1 May 2017	506,226	179,074	197,651
Issue of share capital	1,500	20,250	–
Dividends paid	–	–	–
Share re-purchase	(2,800)	–	2,800
Transactions with owners	(1,300)	20,250	2,800
Profit for the year	–	–	–
Other comprehensive income			
Exchange differences arising on translating foreign operations	–	–	–
Total comprehensive income	–	–	–
Balance at 30 April 2018	504,926	199,324	200,451
Dividends paid	–	–	–
Share re-purchase	(36,066)	–	36,066
Transactions with owners	(36,066)	–	36,066
Profit for the year	–	–	–
Other comprehensive income			
Exchange differences arising on translating foreign operations	–	–	–
Total comprehensive income	–	–	–
Balance at 30 April 2019	468,860	199,324	236,517

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Changes in Equity (continued)
For The Year Ended 30 April 2019

	<i>Foreign exchange reserve</i> £	<i>Retained earnings</i> £	<i>Total</i> £
Balance at 1 May 2017	24,849	962,108	1,869,908
Issue of share capital	–	–	21,750
Dividends paid	–	(1,557,535)	(1,557,535)
Share re-purchase	–	(136,753)	(136,753)
Transactions with owners	–	(1,694,288)	(1,672,538)
Profit for the year	–	1,347,018	1,347,018
Other comprehensive income			
Exchange differences arising on translating foreign operations	1,578	–	1,578
Total comprehensive income	1,578	1,347,018	1,348,596
Balance at 30 April 2018	26,427	614,838	1,545,966
Dividends paid	–	(605,915)	(605,915)
Share re-purchase	–	(3,498,436)	(3,498,436)
Transactions with owners	–	(4,104,351)	(4,104,351)
Profit for the year	–	3,841,154	3,841,154
Other comprehensive income			
Exchange differences arising on translating foreign operations	(55)	–	(55)
Total comprehensive income	(55)	3,841,154	3,841,099
Balance at 30 April 2019	26,372	351,641	1,282,714

The notes form part of these financial statements

BEST OF THE BEST PLC
Company Statement of Changes in Equity
For The Year Ended 30 April 2019

	<i>Called up share capital £</i>	<i>Share premium £</i>	<i>Capital redemption reserve £</i>
Balance at 1 May 2017	506,226	179,074	197,651
Issue of share capital	1,500	20,250	–
Dividends paid	–	–	–
Share re-purchase	(2,800)	–	2,800
Transactions with owners	(1,300)	20,250	2,800
Profit for the year	–	–	–
Total comprehensive income	–	–	–
Balance at 30 April 2018	504,926	199,324	200,451
Dividends paid	–	–	–
Share re-purchase	(36,066)	–	36,066
Transactions with owners	(36,066)	–	36,066
Profit for the year	–	–	–
Total comprehensive income	–	–	–
Balance at 30 April 2019	468,860	199,324	236,517
		<i>Retained earnings £</i>	<i>Total £</i>
Balance at 1 May 2017		841,335	1,724,286
Issue of share capital		–	21,750
Dividends paid		(1,557,535)	(1,557,535)
Share re-purchase		(136,753)	(136,753)
Transactions with owners		(1,694,288)	(1,672,538)
Profit for the year		1,488,635	1,488,635
Total comprehensive income		1,488,635	1,488,635
Balance at 30 April 2018		635,682	1,540,383
Dividends paid		(605,915)	(605,915)
Share re-purchase		(3,498,436)	(3,498,436)
Transactions with owners		(4,104,351)	(4,104,351)
Profit for the year		3,840,909	3,840,909
Total comprehensive income		3,840,909	3,840,909
Balance at 30 April 2019		372,240	1,276,941

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Cash Flows
For The Year Ended 30 April 2019

	<i>Notes</i>	<i>2019</i>	<i>2018</i>
		£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	28	4,763,838	2,236,879
Tax paid		(525,846)	(428,901)
Net cash from operating activities		<u>4,237,992</u>	<u>1,807,978</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		(9,200)	(38,250)
Purchase of property, plant and equipment		(128,550)	(14,137)
Sales of property, plant and equipment		208,770	131,917
Interest received		17,902	947
Net cash from investing activities		<u>88,922</u>	<u>80,477</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		–	21,750
Share re-purchase		(3,498,436)	(136,753)
Equity dividends paid		(605,915)	(1,557,535)
Net cash from financing activities		<u>(4,104,351)</u>	<u>(1,672,538)</u>
Increase in cash and cash equivalents		<u>222,563</u>	<u>215,917</u>
Cash and cash equivalents at beginning of year		<u>2,322,073</u>	<u>2,106,156</u>
Cash and cash equivalents at end of year	18	<u>2,544,636</u>	<u>2,322,073</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Company Statement of Cash Flows
For The Year Ended 30 April 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	28	4,770,306	2,262,980
Tax paid		(526,554)	(431,839)
Net cash from operating activities		<u>4,243,752</u>	<u>1,831,141</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		(9,200)	(38,250)
Purchase of property, plant and equipment		(128,550)	(14,137)
Sales of property, plant and equipment		208,770	131,917
Interest received		17,902	947
Net cash from investing activities		<u>88,922</u>	<u>80,477</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		–	21,750
Share re-purchase		(3,498,436)	(136,753)
Equity dividends paid		(605,915)	(1,557,535)
Net cash from financing activities		<u>(4,104,351)</u>	<u>(1,672,538)</u>
Increase in cash and cash equivalents		<u>228,323</u>	<u>239,080</u>
Cash and cash equivalents at beginning of year		<u>2,315,988</u>	<u>2,076,908</u>
Cash and cash equivalents at end of year	18	<u>2,544,311</u>	<u>2,315,988</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Notes to the Financial Statements
For The Year Ended 30 April 2019

1. GENERAL INFORMATION

The principal activity of the Company and the Group is to operate weekly competitions to win luxury cars and other prizes online.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Financial Reporting Interpretation Committee (“IFRIC”) Interpretations as issued by the International Accounting Standards Board and adopted by the European Union and in accordance with those parts of the Companies Act 2006 applicable to those companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

The financial statements are presented in Pounds Sterling. All amounts, unless otherwise stated, have been rounded to the nearest Pound.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying those accounting estimates. The areas where significant judgements and estimates have been made in preparing these financial statements and their effect are disclosed in Note 4.

The Directors are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

2.1 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

The Company and Group applied for the first time certain Standards, Amendments and Interpretations which are effective for annual periods commencing on or after 1 May 2018. The Company and Group have not early adopted any other Standards, Amendments or Interpretations that have been issued but are not yet effective.

IFRS 2 Share Based Payments

Amendments to IFRS 2 clarify the classification and measurement of share-based payment transactions. The Amendments apply to certain types of share-based payment transactions, including those which are cash-settled and those with net settlement features and also apply where an entity has to account for modifications of share-based payment transactions from cash-settled to equity-settled. The Company and Group have not entered into any of these types of share-based payment transactions during the current or prior year and the Amendments have therefore not affected the Company or Group.

IFRS 9 Financial Instruments

Amendments to IFRS 9 address the classification, measurement, impairment and de-recognition of financial assets and financial liabilities together with a new hedge accounting model.

The Amendments have not resulted in any classification, measurement, impairment or de-recognition changes to the Company’s or Group’s financial assets and liabilities. In particular, the Company’s and Group’s financial assets comprise of trade and other receivables and cash and short-term deposits. These financial assets continue to be classified and measured at amortised cost. The Company’s and Group’s principal financial liabilities include trade and other payables. These financial liabilities continue to be classified and measured at amortised cost.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.1 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS (CONTINUED)

The Company and Group applies the simplified approach to providing for expected credit losses in accordance with applicable guidance for non-banking entities. Under the simplified approach, the Company and Group are required to measure lifetime expected credit losses for all trade receivables.

IFRS 15 Revenue from Contracts with Customers

The Standard is effective for periods beginning on or after 1 January 2018 and sets out at what point and how revenue is recognised and also requires enhanced disclosures. Revenue contracts should be recognised in accordance with a single, principles based five-step plan and when control of goods and services has transferred to the customer, with revenue recognised at the value the Company and Group expects to be entitled to receive.

The Company and Group have adopted IFRS 15 for the first time in the year ended 30 April 2019, although the revenue recognition policy remains unchanged from that previously disclosed in the 2018 financial statements and adopting IFRS 15 has not resulted in a change of timing of revenue recognition for the Company or Group, which continues to be recognised on the date that the result of an individual competition is determined.

Adoption of IFRS 15 has not resulted in any changes to the Company's and Group's results as previously reported.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency.

Adoption of the IFRIC has not resulted in any change in the accounting for receipts or payments of advance consideration in a foreign currency.

At the date of authorisation of these financial statements, certain new Standards, Amendments and Interpretations to existing Standards have been published but are not yet effective and have not been adopted early by the Company and Group.

Management anticipates that all of the pronouncements will be adopted in the accounting periods for the first period beginning after the effective date of the pronouncement. Information on new Standards, Amendments and Interpretations that are expected to be relevant to the financial statements is provided below. Certain other new Standards, Amendments and Interpretations have been issued but are not expected to be relevant to the financial statements.

IAS 12 Income Taxes

The Amendments result from the Annual Improvements 2015-2017 cycle and address the income tax consequences of dividends. The Amendments are effective for accounting periods commencing on or after 1 January 2019.

IFRS 16 Leases

The Standard will replace IAS 17 *Leases* and will eliminate the classification of leases as either operating leases or finance leases and, instead, introduce a single lessee accounting model. The Standard provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The Directors are currently evaluating the financial and operational impact of this Standard. This review will require an assessment of all leases and the impact of adopting this Standard cannot be reliably estimated until this work is substantially complete. The Standard is effective for accounting periods commencing on or after 1 January 2019.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.1 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS (CONTINUED)

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 is to be applied in determining the taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates. It is to be applied where there is uncertainty over the income tax treatment under IAS 12. The Interpretation is effective for accounting periods commencing on or after 1 January 2019.

The Directors do not expect that the adoption of the Standards, Amendments and Interpretations listed above will have a material impact on the financial statements of the Company and Group in future periods, although the detailed impact has not yet been quantified.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary undertakings). Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with those of the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

2.3 REVENUE RECOGNITION

The Company and Group operate weekly competitions to win luxury cars and other prizes online. Revenue represents the value of tickets sold in respect of these competitions and is stated net of VAT, where applicable, and returns, rebates and discounts. Revenue in respect of weekly competitions is recognised on the date the result of those individual competitions is determined, being the point when all performance obligations have been fulfilled.

2.4 COST OF SALES

Cost of sales comprises principally of the cost of competition prizes, duties, rent and the associated costs of operating retail sites.

2.5 EXCEPTIONAL ITEMS

Exceptional items are those items the Company and Group consider to be non-recurring or material in nature that may distort an understanding of financial performance or impair comparability.

2.6 SEGMENT REPORTING

The accounting policy for identifying segments is based on internal management reporting information which is reviewed by the chief operating decision maker. The Company and Group are considered to have a single business segment, being the operation of weekly competitions to win luxury cars and other prizes.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.7 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research is recognised as an expense in the period in which it is incurred.

Development costs are capitalised when all of the following conditions are satisfied:

- Completion of the intangible asset is technically feasible so that it will be available for use or sale;
- The Company or Group intends to complete the intangible asset and use or sell it;
- The Company or Group has the ability to use or sell the intangible asset;
- The intangible asset will generate probable future economic benefits. Amongst other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- There are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are expensed as incurred.

2.8 FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

The assets and liabilities in the financial statements of foreign subsidiaries are translated into the Parent Company's presentation currency at the rates of exchange ruling at the statement of financial position date. Income and expenses are translated at the actual rate on the date of the transaction. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are recognised in other comprehensive income and taken to the foreign exchange reserve in equity. On disposal of a foreign subsidiary, the cumulative translation differences are transferred to profit or loss as part of the gain or loss on disposal.

2.9 SHARE BASED PAYMENT

The Company and Group have applied the requirements of IFRS 2 to share option schemes allowing certain employees within the Group to acquire shares of the Company. For all grants of share options, the fair value as at the date of grant is calculated using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that are likely to vest, except where forfeiture is only due to market-based conditions not achieving the threshold for vesting. The expense is recognised over the expected life of the option.

2.10 PENSION CONTRIBUTIONS AND OTHER POST EMPLOYMENT BENEFITS

The Company operates a money purchase pension scheme for certain employees. The cost of the contributions is charged to the statement of comprehensive income as incurred.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.11 TAXATION

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantively enacted by the statement of financial position date.

The tax currently payable is based on the taxable profit for the year. Taxable profit/(loss) differs from the net profit/(loss) reported in the statement of comprehensive income as it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of the deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case deferred tax is also dealt with in equity.

2.12 IMPAIRMENT

The carrying amounts of the Company's and Group's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indicator exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.13 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company and Group present assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle; or
- held primarily for the purpose of trading; or
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle; or
- it is held primarily for the purpose of trading; or
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

The Company and Group classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.14 INTANGIBLE ASSETS

Intangible assets are recognised at cost less any accumulated amortisation and impairment.

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Company or Group and that its cost can be measured reliably. The asset is deemed to be identifiable when it is separate or when it arises from contractual or other legal rights.

The Company's and Group's intangible assets consist of its IT platform, infrastructure and website. The Directors have estimated the useful economic life of the assets to be three years and they are being amortised over that period on a straight line basis.

2.15 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

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

Long leasehold property	– 1% on cost
Improvements to property	– 4% on cost
Display equipment	– At varying rates on cost
Fixtures and fittings	– At varying rates on cost
Motor vehicles	– 25% on reducing balance
Computer equipment	– At varying rates on cost

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from the use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The residual values, useful economic lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.16 INVESTMENTS

Investments in subsidiaries are recorded at cost less any provision for permanent diminution in value.

2.17 LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company and Group is classified as a finance lease. The Company and Group have not entered into any finance leases during any financial year included in these financial statements.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight line basis over the lease term.

2.18 PROVISIONS

Provisions are liabilities where the exact timing or amount of the obligation is uncertain. Provisions are recognised when the Company or Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the time value of money is material, provisions are discounted to current values using appropriate rates of interest. The unwinding of the discounts is recorded in net finance income or expense.

2.19 FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the Company's and Group's statement of financial position when the Company and Group become a party to the contractual provisions of the instrument. The Company's and Group's financial instruments comprise cash, trade and other receivables and trade and other payables.

Trade and other receivables

Trade and other receivables are initially stated at their fair value plus transaction costs, then subsequently at amortised cost using the effective interest method, if applicable, less impairment losses. Provisions against trade and other receivables are made when there is objective evidence that the Company and Group will not be able to collect all amounts due to them in accordance with the original terms of those receivables. The amount of the write down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.19 FINANCIAL INSTRUMENTS (CONTINUED)

Cash and cash equivalents

The Company and Group manage short-term liquidity through the holding of cash and highly liquid interest-bearing deposits. Only deposits that are readily convertible into cash with maturities of three months or less from inception, with no penalty of lost interest, are shown as cash and cash equivalents.

Trade payables

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company and Group becomes a party to the contractual provisions of the instrument. All financial liabilities are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the statement of comprehensive income.

2.20 EQUITY

Equity comprises the following:

- Called up share capital represents the nominal value of the equity shares;
- Share premium represents the excess over nominal value of the fair value of consideration received from the equity shares, net of expenses of the share issue;
- Capital redemption reserve represents the value of the re-purchase by the Company of its own share capital;
- Foreign exchange reserve represents accumulated exchange differences from the translation of subsidiaries with a functional currency other than Sterling; and
- Retained earnings represent accumulated profits and losses from incorporation and any credit arising under share based payments

3. CAPITAL MANAGEMENT

The Company defines capital as the total equity of the Company. The objective of the Company's capital management is to ensure that it makes the maximum use of its capital to support its business and to maximise shareholder value. There are no external constraints on the Company's capital.

4. CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES

The Company and Group make certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual expenditure may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of assets

The Company and Group are required to consider assets for impairment where such indicators exist, using value in use calculations or fair value estimates. The use of these methods may require the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. Actual outcomes may vary.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

4. CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES (CONTINUED)

Useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated and intangible assets are amortised over their useful lives. Useful lives are based on management's estimates, which are periodically reviewed for continued appropriateness. Changes to estimates can result in variations in the carrying values and amounts charged to the statement of comprehensive income in specific periods.

5. SEGMENTAL REPORTING

For management purposes, the Company and Group are considered to have one single business segment, being the operation of weekly competitions to win luxury cars and other prizes. The Group comprises Best of the Best PLC and its subsidiary company BOTB Ireland Limited. BOTB Ireland Limited generated no sales during the current year and it holds few assets and is expected to have very little trading activity going forward. The two companies do not transact with each other. Further segment information is therefore not presented in these financial statements.

Sales from UK activities totalled £12,098,896 (2018: £10,386,359) whilst sales from non-UK activities totalled £2,708,076 (2018: £2,561,357).

6. EXCEPTIONAL INCOME AND EXPENSE

On 19 May 2018, the Company received a retrospective VAT refund from H M Revenue and Customs ("HMRC") on its "Spot the Ball" game of £4,494,697 for the period from 1 March 2009 to 30 June 2017. Accordingly, this sum, as well as an associated interest receipt, has been recognised as exceptional income in the financial year. On 20 December 2018, the Company settled an agreed assessment issued by HMRC for retrospective taxation, making a payment of £1,758,875. Accordingly, this sum has been recognised as an exceptional expense in the financial year, together with associated legal and professional costs of £264,625 incurred in connection with these claims.

7. EMPLOYEES AND DIRECTORS

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Wages and salaries	1,772,484	2,420,722	1,772,484	2,308,814
Social security costs	218,326	265,978	218,326	254,367
Other pension costs	62,892	64,520	62,892	64,520
	<u>2,053,702</u>	<u>2,751,220</u>	<u>2,053,702</u>	<u>2,627,701</u>

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

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Sales	10	37	10	32
Administration	16	18	16	18
Management	3	2	3	2
	<u>29</u>	<u>57</u>	<u>29</u>	<u>52</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

7. EMPLOYEES AND DIRECTORS (CONTINUED)

	2019	2018
	£	£
Directors' remuneration	528,717	487,634

The number of Directors to whom retirement benefits were accruing was as follows:

	2019	2018
	<i>Number</i>	<i>Number</i>
Money purchase schemes	2	2

The Directors consider themselves to be the only key management personnel. As such, a separate analysis of remuneration paid to key management personnel has not been presented as this is as set out on page 12 of the Report of the Remuneration Committee.

Information regarding the highest paid Director is as follows:

	2019	2018
	£	£
Emoluments	250,967	228,590

8. FINANCE INCOME

	2019	2018
	£	£
Finance income:		
Deposit account interest	17,902	947

9. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation and impairment of property, plant and equipment	80,174	126,036
Amortisation of intangible assets	127,316	89,067
Profit on disposal of property, plant and equipment	(132,932)	(31,658)
Operating lease expense – buildings	200,808	676,234
Operating lease expense – other	17,635	10,629
Foreign exchange losses/(gains)	–	6,813
Auditor's remuneration		
– Audit fees	33,500	34,025
– Taxation services	2,631	6,750
– Other	22,500	13,000

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

10. INCOME TAX

Analysis of tax expense

	<i>2019</i>	<i>2018</i>
	£	£
Current tax:		
Current year charge	830,544	256,558
Total current tax	<u>830,544</u>	<u>256,558</u>
Deferred tax		
Origination and reversal of temporary timing differences	27,867	(3,481)
Total deferred tax	<u>27,867</u>	<u>(3,481)</u>
Total tax charge for the year	<u>858,411</u>	<u>253,077</u>

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	<i>2019</i>	<i>2018</i>
	£	£
Profit on ordinary activities before income tax	<u>4,699,565</u>	<u>1,600,095</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2018: 19%)	892,917	304,018
Effects of:		
Depreciation in excess of capital allowances	38,222	7,632
Other timing differences	1,074	(3,247)
Non-deductible expenses	5,018	12,574
Research and development enhanced deduction	<u>(78,820)</u>	<u>(67,900)</u>
Tax expense	<u>858,411</u>	<u>253,077</u>

Future tax developments

A reduction in the UK corporation tax rate from 19% to 17%, effective from 1 April 2020, was substantively enacted on 15 September 2016. This will reduce the company's future tax charge accordingly.

11. PROFIT OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income statement of the Parent Company is not presented as part of these financial statements. The Parent Company's profit for the financial year was £3,840,909 (2018: £1,488,635).

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

12. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Adjusted earnings per share is calculated by dividing the earnings attributable to the ordinary shareholders, before exceptional income and exceptional expense and associated corporation tax, by the weighted average number of ordinary shares outstanding during the year.

Diluted and adjusted diluted earnings per share is calculated using the weighted average number of shares outstanding during the year, adjusted to assume the exercise of all dilutive potential ordinary shares under the company's share option plans.

	<i>2019</i>	<i>2018</i>
Profit for the year and basic and diluted earnings attributable to the owners of the parent – £	<u>3,841,154</u>	<u>1,347,018</u>
Adjusted profit for the year and basic and diluted earnings attributable to the owners of the parent – £	<u>1,755,869</u>	<u>1,347,018</u>
Weighted average number of ordinary shares – number	9,965,495	10,112,997
Basic earnings per share – pence	38.54p	13.32p
Adjusted basic earnings per share – pence	<u>17.62p</u>	<u>13.32p</u>
Adjusted weighted average number of ordinary shares – number	9,971,206	10,137,887
Diluted earnings per share – pence	38.52p	13.29p
Adjusted diluted earnings per share – pence	<u>17.61p</u>	<u>13.29p</u>

13. DIVIDENDS

The Company paid a final dividend of 1.5 pence per share on 21 September 2018, as recommended in the financial statements to 30 April 2018. Furthermore, a Special Dividend of 4.5 pence per share was paid on 20 July 2018 to shareholders on the register at the close of business on 6 July 2018.

The Board is recommending a final dividend of 2.0 pence per share (2018: 1.5 pence per share) for the full year ending 30 April 2019 subject to shareholder approval at the Annual General Meeting on 11 September 2019. The final dividend will be paid on 27 September 2019 to shareholders on the register on 13 September 2019.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

14. INTANGIBLE ASSETS – GROUP AND COMPANY

	<i>Development costs £</i>
COST	
At 1 May 2018	305,450
Additions	9,200
At 30 April 2019	<u>314,650</u>
AMORTISATION	
At 1 May 2018	178,134
Charge for year	127,316
At 30 April 2019	<u>305,450</u>
NET BOOK VALUE	
2019	<u>9,200</u>
2018	<u>127,316</u>
	<i>Development costs £</i>
COST	
At 1 May 2017	267,200
Additions	38,250
At 30 April 2018	<u>305,450</u>
AMORTISATION	
At 1 May 2017	89,067
Charge for year	89,067
At 30 April 2018	<u>178,134</u>
NET BOOK VALUE	
2018	<u>127,316</u>
2017	<u>178,133</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

15. PROPERTY, PLANT AND EQUIPMENT – GROUP AND COMPANY

	<i>Long leasehold £</i>	<i>Improvements to property £</i>	<i>Display equipment £</i>	<i>Fixtures and fittings £</i>
COST				
At 1 May 2018	954,034	25,950	473,591	170,219
Additions	–	–	–	2,110
Disposals	–	–	(370,927)	–
At 30 April 2019	<u>954,034</u>	<u>25,950</u>	<u>102,664</u>	<u>172,329</u>
DEPRECIATION AND IMPAIRMENT				
At 1 May 2018	6,998	2,078	342,970	160,717
Charge for the year	3,500	1,090	31,106	11,612
Eliminated on disposals	–	–	(297,183)	–
At 30 April 2019	<u>10,498</u>	<u>3,168</u>	<u>76,893</u>	<u>172,329</u>
NET BOOK VALUE				
2019	<u>943,536</u>	<u>22,782</u>	<u>25,771</u>	<u>–</u>
2018	<u>947,036</u>	<u>23,872</u>	<u>130,621</u>	<u>9,502</u>
		<i>Motor vehicles £</i>	<i>Computer equipment £</i>	<i>Total £</i>
COST				
At 1 May 2018		58,275	115,137	1,797,206
Additions		112,582	13,858	128,550
Disposals		(15,486)	–	(386,413)
At 30 April 2019		<u>155,371</u>	<u>128,995</u>	<u>1,539,343</u>
DEPRECIATION AND IMPAIRMENT				
At 1 May 2018		35,078	104,535	652,376
Charge for the year		21,085	11,781	80,174
Eliminated on disposals		(13,392)	–	(310,575)
At 30 April 2019		<u>42,771</u>	<u>116,316</u>	<u>421,975</u>
NET BOOK VALUE				
2019		<u>112,600</u>	<u>12,679</u>	<u>1,117,368</u>
2018		<u>23,197</u>	<u>10,602</u>	<u>1,144,830</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

15. PROPERTY, PLANT AND EQUIPMENT – GROUP AND COMPANY (CONTINUED)

	<i>Long leasehold £</i>	<i>Improvements to property £</i>	<i>Display equipment £</i>	<i>Fixtures and fittings £</i>
COST				
At 1 May 2017	954,034	25,950	713,060	170,219
Additions	–	–	–	–
Disposals	–	–	(239,469)	–
At 30 April 2018	<u>954,034</u>	<u>25,950</u>	<u>473,591</u>	<u>170,219</u>
DEPRECIATION AND IMPAIRMENT				
At 1 May 2017	3,500	1,040	414,855	139,177
Charge for the year	3,498	1,038	67,325	21,540
Eliminated on disposals	–	–	(139,210)	–
At 30 April 2018	<u>6,998</u>	<u>2,078</u>	<u>342,970</u>	<u>160,717</u>
NET BOOK VALUE				
2018	<u>947,036</u>	<u>23,872</u>	<u>130,621</u>	<u>9,502</u>
2017	<u>950,534</u>	<u>24,910</u>	<u>298,205</u>	<u>31,042</u>
		<i>Motor vehicles £</i>	<i>Computer equipment £</i>	<i>Total £</i>
COST				
At 1 May 2017		58,275	101,000	2,022,538
Additions		–	14,137	14,137
Disposals		–	–	(239,469)
At 30 April 2018		<u>58,275</u>	<u>115,137</u>	<u>1,797,206</u>
DEPRECIATION AND IMPAIRMENT				
At 1 May 2017		27,341	79,637	665,550
Charge for the year		7,737	24,898	126,036
Eliminated on disposals		–	–	(139,210)
At 30 April 2018		<u>35,078</u>	<u>104,535</u>	<u>652,376</u>
NET BOOK VALUE				
2018		<u>23,197</u>	<u>10,602</u>	<u>1,144,830</u>
2017		<u>30,934</u>	<u>21,363</u>	<u>1,356,988</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

16. INVESTMENTS

Group

	<i>Unlisted investments £</i>
COST	
At 1 May 2018 and 30 April 2019	70,000
IMPAIRMENT	
At 1 May 2018 and 30 April 2019	70,000
NET BOOK VALUE	
At 1 May 2018 and 30 April 2019	–

Unlisted investments relate to the cost of acquiring options in another company.

Company

	<i>Shares in group undertakings £</i>	<i>Unlisted investments £</i>	<i>Total £</i>
COST			
At 1 May 2018 and 30 April 2019	85	70,000	70,085
IMPAIRMENT			
At 1 May 2018 and 30 April 2019	85	70,000	70,085
NET BOOK VALUE			
At 1 May 2018 and 30 April 2019	–	–	–

Shares in Group undertakings comprise of the following subsidiary company:

<i>Name of company</i>	<i>Nature of business</i>	<i>% holding</i>	<i>Country of incorporation</i>
BOTB Ireland Limited	Competition operator	100	Republic of Ireland

17. TRADE AND OTHER RECEIVABLES – GROUP AND COMPANY

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade receivables	765	10,961	765	10,961
Other receivables	32,560	56,290	32,560	56,290
Prepayments and accrued income	126,431	82,872	126,431	82,482
	159,756	150,123	159,756	149,733

The fair value of trade and other receivables approximates to their carrying values.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

18. CASH AND CASH EQUIVALENTS – GROUP AND COMPANY

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	£	£	£	£
Cash in hand	2,543,094	3,783	2,542,770	3,783
Bank accounts	1,542	2,318,290	1,541	2,312,205
	<u>2,544,636</u>	<u>2,322,073</u>	<u>2,544,311</u>	<u>2,315,988</u>

19. CALLED UP SHARE CAPITAL – COMPANY

Allotted, issued and fully paid

	<i>2019</i>		<i>2018</i>	
	<i>Number</i>	<i>Number</i>	<i>£</i>	<i>£</i>
<i>Ordinary shares of 5 pence each</i>				
At the start of the year	10,098,580	10,124,580	504,926	506,226
Shares allotted during the year	–	30,000	–	1,500
Purchased for cancellation in the year	(721,327)	(56,000)	(36,066)	(2,800)
At the end of the year	<u>9,377,253</u>	<u>10,098,580</u>	<u>468,860</u>	<u>504,926</u>

On 15 February 2019, subject to a circular dated 30 January 2019, shareholders approved a proposed tender offer by finnCap Ltd to purchase Ordinary shares in the Company up to approximately 7.1% of the issued share capital at a price of 485 pence per share. Further to a repurchase agreement between the Company and finnCap Ltd, the Company exercised the call option, repurchased and subsequently cancelled, 721,327 Ordinary Shares at a price of 485 pence per share.

No shares were allotted during the year. In the prior year, 30,000 Ordinary shares of £0.05 per share were allotted as fully paid at a premium of £0.675 per share. Furthermore, in the prior year 56,000 Ordinary shares of £0.05 per share were purchased by the Company and subsequently cancelled.

Where shares have been repurchased and cancelled, an amount equal to the nominal value of the Ordinary shares has been transferred to the capital redemption reserve. The amount paid per share was £4.85 (2018: Between £2.20 and £2.55). The difference between the amount paid and the nominal value of the shares re-purchased has been deducted from the retained earnings reserve.

20. TRADE AND OTHER PAYABLES – GROUP AND COMPANY

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	£	£	£	£
Trade creditors	343,186	388,063	343,186	387,396
Amounts owed to group undertakings	–	–	5,448	–
Social security and other taxes	392,533	463,946	392,533	463,946
Other creditors	978,262	1,076,798	978,262	1,075,865
Contract liability balances	73,030	–	73,030	–
Pension creditor	5,883	232	5,883	232
	<u>1,792,894</u>	<u>1,929,039</u>	<u>1,798,342</u>	<u>1,927,439</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

21. DEFERRED TAX – GROUP AND COMPANY

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Asset at 1 May	40,445	36,964	40,445	36,964
Movement in the year	(27,867)	3,481	(27,867)	3,481
Asset at 30 April	<u>12,578</u>	<u>40,445</u>	<u>12,578</u>	<u>40,445</u>

Deferred tax assets have been recognised in respect of accelerated capital allowances giving rise to deferred tax assets where the Directors believe that it is probable that these assets will be recovered.

22. PROVISIONS – GROUP AND COMPANY

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
At 1 May	206,550	129,816	206,550	129,816
Utilised during the year	(151,050)	(129,816)	(151,050)	(129,816)
Additions	304,500	206,550	304,500	206,550
Asset at 30 April	<u>360,000</u>	<u>206,550</u>	<u>360,000</u>	<u>206,550</u>

The Directors have assessed that its retail site lease is onerous and a provision has been recognised in respect of future rental payments.

23. SHARE BASED PAYMENT – GROUP AND COMPANY

Details of the share options outstanding during the year are as follows:

<i>Grant date</i>	<i>Outstanding at 1 May 2018</i>	<i>Granted</i>	<i>Exercised</i>	<i>Forfeited</i>	<i>Outstanding at 30 April 2019</i>	<i>Expiry date</i>	<i>Exercise price</i>
19-12-2017	45,000	–	–	–	45,000	19-12-2027	£2.25

The Company and Group operate a share option scheme for certain Directors and employees. Options are exercisable at a price defined by the individual option agreements. The vesting period on each option is three years. If the options remain unexercised during the specified period from the date of grant, the options expire. Options are generally forfeited if the employee leaves the Group before the options vest, however, this is at the discretion of the Board.

Details of the share options and the weighted average exercise price ('WAEP') outstanding during the year are as follows:

	<i>2019</i>	<i>2019</i>	<i>2018</i>	<i>2018</i>
	<i>Number</i>	<i>WAEP</i>	<i>Number</i>	<i>WAEP</i>
Outstanding at the beginning of year	45,000	225.00	30,000	72.50
Granted during the year	–	–	45,000	225.00
Exercised during the year	–	–	(30,000)	(72.50)
Lapsed during the year	–	–	–	–
Outstanding at the end of the year	<u>45,000</u>	<u>225.00</u>	<u>45,000</u>	<u>225.00</u>
Exercisable at the end of the year	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

23. SHARE BASED PAYMENT – GROUP AND COMPANY (CONTINUED)

The weighted average remaining contractual life of share options outstanding as at 30 April 2019 was 8 years and 8 month (2018: 9 years and 8 months).

No amount has been recognised in these financial statements in respect of share option charges as the amount would be insignificant (2018: £Nil).

24. LEASE COMMITMENTS – GROUP AND COMPANY

Future minimum rentals payable under operating leases at 30 April 2019 were as follows:

	<i>Buildings</i>		<i>Other</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	£	£	£	£
Due within one year	124,125	223,050	4,437	6,762
Due between one and two years	226,050	368,000	–	–
	<u>350,175</u>	<u>591,050</u>	<u>4,437</u>	<u>6,762</u>

25. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS – GROUP AND COMPANY

The principal financial assets of the Group are bank balances. The Group's principal financial liabilities are trade and other payables. The main purpose of these financial instruments is to generate sufficient working capital for the Group to continue its operations.

Credit risk

The Group's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the statement of financial position date, as summarised below. Management considers that the Group is exposed to little credit risk arising on its receivables due to the value of those receivables. The credit risk on cash balances is limited because the third parties are banks with high credit ratings assigned by international credit rating agencies.

	<i>2019</i>	<i>2018</i>
	£	£
Financial assets classified as loans and receivables – carrying amounts:		
Trade receivables	765	10,961
Other receivables	32,560	56,290
Cash and cash equivalents	2,544,636	2,322,073
	<u>2,577,961</u>	<u>2,389,324</u>

Liquidity risk

The Group's funding strategy is to generate sufficient working capital to settle liabilities as they fall due and to ensure sufficient financial resource is in place to support management's long-term growth plans.

BEST OF THE BEST PLC
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2019

25. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS – GROUP AND COMPANY (CONTINUED)

The Group's financial liabilities have contractual maturities as follows:

	<i>2019</i>		<i>2018</i>	
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
	<i>Up to</i>	<i>After</i>	<i>Up to</i>	<i>After</i>
	<i>1 year</i>	<i>1 year</i>	<i>1 year</i>	<i>1 year</i>
Financial liabilities measured at amortised cost – carrying amounts				
Trade and other payables	1,719,864	–	1,929,039	–
	<u>1,719,864</u>	<u>–</u>	<u>1,929,039</u>	<u>–</u>

26. RELATED PARTY DISCLOSURES

M W Hindmarch is considered to be a related party as he is a Non-Executive Director of the Company. During the year ended 30 April 2019, payments were made to him totaling £12,000 (2018: £12,000) in respect of consultancy services provided. The total amount due to M W Hindmarch at 30 April 2019 was £1,000 (2018: £1,000).

27. ULTIMATE CONTROLLING PARTY

The Company is under the ultimate control of W S Hindmarch, the Chief Executive Director of the Company, by virtue of his controlling shareholding at the statement of financial position date.

28. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	<i>Group</i>		<i>Company</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Profit before income tax	4,699,565	1,600,095	4,699,320	1,741,712
Depreciation charges	80,174	126,036	80,174	126,036
Amortisation charges	127,316	89,067	127,316	89,067
Profit on disposal of property, plant and equipment	(132,932)	(31,658)	(132,932)	(31,658)
Investment impairment charge	–	70,000	–	70,085
Exchange differences	(55)	1,578	–	–
Finance income	(17,902)	(947)	(17,902)	(947)
	<u>4,756,166</u>	<u>1,854,171</u>	<u>4,755,976</u>	<u>1,994,295</u>
(Increase)/decrease in trade and other receivables	(9,633)	95,063	(10,023)	34,323
(Decrease)/increase in trade and other payables	(136,145)	210,911	(129,097)	157,628
Increase in provision	153,450	76,734	153,450	76,734
Cash generated from operations	<u>4,763,838</u>	<u>2,236,879</u>	<u>4,770,306</u>	<u>2,262,980</u>

BEST OF THE BEST PLC
Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Best of the Best PLC (the “Company”) will be held at 2 Plato Place, 72/74 St. Dionis Road, London, SW6 4TU on Wednesday 11 September 2019 at 12.00 noon (the “Meeting”) for the following purposes:

ORDINARY BUSINESS

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Company’s financial statements together with the reports thereon of the Directors and auditor for the year ended 30 April 2019.
2. To declare a final dividend of 2.0 pence per ordinary share for the year ended 30 April 2019.
3. To re-elect Mr Michael Hindmarch as a Director of the Company.
4. To re-elect Mr William Hindmarch as a Director of the Company.
5. To re-elect Mr Rupert Garton as a Director of the Company.
6. To re-appoint the auditor, Wilkins Kennedy Audit Services, as auditor of the Company until the conclusion of the next Annual General Meeting.
7. To authorise the Audit Committee to set the auditor’s remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions of which resolution 8 will be proposed as an ordinary resolution and resolutions 9 and 10 will be proposed as special resolutions:

8. ORDINARY RESOLUTION

THAT (in substitution for all subsisting authorities) the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “Act”) to allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company (“Rights”) up to an aggregate nominal amount of £156,287.55 for the period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earliest) but the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of that offer or agreement as if the authority conferred by this resolution had not expired.

9. SPECIAL RESOLUTION

THAT, subject to the passing of resolution 8, the Directors be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 8 as if section 561 of the Act did not apply to the allotment. This power is limited to:

- (a) the allotment of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to holders of ordinary shares in the capital of the Company made in proportion (as nearly as may be) to their existing holdings of ordinary shares but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient:

BEST OF THE BEST PLC
Notice of Annual General Meeting (continued)

- (i) to deal with equity securities representing fractional entitlements; and
 - (ii) to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) the allotment of equity securities for cash otherwise than pursuant to paragraph (a) up to an aggregate nominal amount of £23,443.13 for the period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earliest) but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired.

10. SPECIAL RESOLUTION

THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of Section 693 of the Act) of ordinary shares of 5 pence each in the Company provided that:

- a. the maximum number of ordinary shares which may be purchased is 937,725 representing 10 per cent. of the Company's issued ordinary share capital as at 19 June 2019;
- b. the minimum price (exclusive of expenses) which may be paid for each ordinary share is 5 pence;
- c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105 per cent. of the average of the middle market quotations of an ordinary share of the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased;
- d. this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earlier); and
- e. the Company may, before such expiry, enter into one or more contracts to purchase ordinary shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

By Order of the Board

PRISM COSEC LIMITED
COMPANY SECRETARY
19 June 2019

REGISTERED OFFICE:
2 Plato Place
72/74 St. Dionis Road
London SW6 4TU

BEST OF THE BEST PLC
Notice of Annual General Meeting (continued)

Notes:

- a) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies, who need not be members of the Company, to attend, speak and vote instead of him/her. To be valid, a Form of Proxy must be received, together with any power of attorney or other authority under which it is executed (or a duly certified copy of such power or authority), by the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 48 hours before the time fixed for the meeting. The completion and return of a Form of Proxy will not preclude a member from attending and voting at the Meeting in person.
- b) Pursuant to regulation 41 of the Uncertificated Regulations 2001, the Company specifies that only those shareholders registered on the register of members of the Company as at 6.00 p.m. on 9 September 2019 (being not more than 48 hours prior to the time fixed for the Meeting) shall be entitled to attend and vote at the aforesaid Annual General Meeting in respect of the number of shares registered in their name at that time or if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to entries on the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
- c) Each of the resolutions to be put to the Meeting will be voted on by poll and not show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and Proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the Meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.
- d) Copies of all letters of appointment between the Company and its Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours, and will be available for inspection at 2 Plato Place, 72/74 St. Dionis Road, London, SW6 4TU at least 15 minutes prior to the commencement of, and during the continuance of, the Annual General Meeting.
- e) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend and speak and vote at the Meeting. A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. If you appoint more than one proxy, then on each Form of Proxy you must specify the number of shares for which each proxy is appointed.
- f) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- g) Explanatory notes in relation to the resolutions to be proposed at the Meeting are set out on the following page.
- h) A Nominated person may under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and speak and vote at the Annual General Meeting. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.
- i) If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the Annual General meeting, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the Annual General Meeting. Such Nominated Persons are advised to contact the members who nominated them for further information on this.
- j) To facilitate entry to the meeting, shareholders are requested to bring with them suitable evidence of their identity. Persons who are not shareholders of the Company (or their appointed proxy) will not be admitted to the Annual General Meeting unless prior arrangements have been made with the Company. For security reasons, all hand luggage may be subject to examination prior to entry to the Annual General Meeting. Cameras, tape recorders, laptop computers and similar equipment may not be taken into the Annual General Meeting. We ask all those present at the Annual General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

BEST OF THE BEST PLC

Notice of Annual General Meeting – Explanatory Notes to the Resolutions

RESOLUTION 1: REPORTS AND ACCOUNTS

The Directors are required to present to the meeting the audited accounts and the reports of the Directors and the auditor for the financial year ended 30 April 2019.

RESOLUTION 2: DECLARATION OF DIVIDEND

Final dividends must be approved by shareholders but cannot exceed the amount recommended by the Directors.

RESOLUTION 3 – 5: RE-APPOINTMENT OF DIRECTORS

Under the Company's Articles of Association, Directors are obliged to retire and offer themselves up for re election every three years. Biographical details of the Directors can be found on page 8.

RESOLUTION 6: RE-APPOINTMENT OF AUDITOR

The Company is required to appoint an auditor at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the re-appointment of Wilkins Kennedy Audit Services.

RESOLUTION 7: AUTHORITY TO SET THE AUDITOR'S REMUNERATION

In accordance with standard practice, this resolution gives authority to the Audit Committee to determine the remuneration to be paid to the auditor.

RESOLUTION 8: AUTHORITY TO ALLOT SHARES

Section 549 of the Companies Act 2006 provides, in relation to all companies, that the Directors may not allot shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company unless authorised to do so by the Company in general meeting or by its Articles of Association. Accordingly, this resolution seeks renewal, for a further period expiring at the earlier of the close of the next annual general meeting of the Company and fifteen months after the passing of the resolution, of the authority previously granted to the Directors at the last annual general meeting of the Company. This authority will relate to a total of 3,125,751 ordinary shares of 5 pence each, representing approximately one third of the Company's issued share capital as at the date of this Notice. While this resolution empowers the Directors to allot shares they are required to effect any such allotment on a pre-emptive basis save to the extent that they are otherwise authorised. Resolution 9 below contains a limited power to allot on a non-pre-emptive basis. The Directors have no present intention of allotting, or agreeing to allot, any shares otherwise than in connection with employee share schemes, to the extent permitted by such schemes.

RESOLUTION 9: DIS-APPLICATION OF PRE-EMPTION RIGHTS

If the Directors wish to allot any shares of the Company for cash in accordance with the authority granted at this year's annual general meeting these must generally be offered first to shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the interests of the Company for the Directors to be able to allot some shares for cash without having to offer them first to existing shareholders. In line with normal practice, this resolution, which will be proposed as a special resolution, seeks approval to renew the current authority to exclude the statutory pre-emption rights for issues of shares having a maximum aggregate nominal value of up to £23,443.13, representing 5 per cent. of the Company's issued share capital as at the date of this Notice. In addition, there are legal, regulatory and practical reasons why it may not always be possible to issue new shares under a rights issue to some shareholders, particularly those resident overseas. To cater for this, the resolution also permits the Directors to make appropriate exclusions or arrangements to deal with such difficulties. This authority would be effective until the earlier of the

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Notice of Annual General Meeting – Explanatory Notes to the Resolutions (continued)

conclusion of the next annual general meeting of the Company and fifteen months after the passing of the resolution. The Directors believe that obtaining this authority is in the best interests of shareholders as a whole and recommend that shareholders vote in favour of this resolution.

RESOLUTION 10: PURCHASE OF OWN SHARES

The Directors believe that it is in the interests of the Company and its members to continue to have the flexibility to purchase its own shares and this resolution seeks authority from members to do so. The Directors intend only to exercise this authority where, after considering market conditions prevailing at the time, they believe that the effect of such exercise would be to increase the earnings per share and be in the best interests of shareholders generally. The effect of such purchases would either be to cancel the number of shares in issue or the Directors may elect to hold them in treasury pursuant to the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the “Treasury Share Regulations”), which came into force on 1 December 2003. The Treasury Share Regulations enable certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by a company in accordance with the Companies Act 2006. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under a company’s employee share scheme. Once held in treasury, a company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the company’s assets may be made to the company in respect of the treasury shares. This resolution renews the authority given at the Annual General Meeting held on 6 September 2018 and would be limited to 937,725 ordinary shares, representing approximately 10 per cent. of the issued share capital at 19 June 2019. The Directors intend to seek renewal of this power at each Annual General Meeting. As at 19 June 2019 there were options outstanding over 45,000, representing 0.48 per cent. of the Company’s issued share capital. If the authority given by this resolution was to be fully used, this would represent 0.53 per cent. of the Company’s issued share capital.

