

**Best of the Best plc**  
**(“Best of the Best”, “BOTB”, “the Company” or “the Group”)**  
**Preliminary results for the year ended 30 April 2020**

Best of the Best plc runs competitions online to win cars and other prizes.

**Move to online completed, delivering strong financial performance with encouraging outlook**

**Financial Highlights:**

- Revenue increased by 20.1% to £17.79 million (2019: £14.81 million)
- Profit before tax of £4.20 million (2019: £2.11 million operating profit before exceptional items)
- Now a fully digital business with 100% of revenue generated online and no remaining physical locations, benefitting operating margins and improving capital efficiency
- Net assets of £3.30 million, substantially underpinned by property and cash
- Cash balances of £5.21 million at 30 April 2020 and the Group has no borrowings
- Earnings per share increased to 37.51p (2019: adjusted 17.62p)
- Proposed 3.0p ordinary dividend to be paid on 2 October 2020 (2019: 2.0p)
- Special Dividend of 20.0p to be paid on 10 July 2020

**Operational Highlights:**

- Revenues are now entirely online, having completed the strategic move away from the lower margin, capital intensive retail estate comprising up to 26 locations
- Competitions, pricing and marketing strategies are now tailored exclusively for our growing and increasingly diversified online customer base
- Recent launch of a new Midweek competition, following the celebration of 500th Dream Car winner and 100th Lifestyle winner milestones
- Accelerated growth in online marketing investment and player acquisition, combined with increased competition frequency, has delivered encouraging results in the period
- Sales momentum since the period end has been encouraging and ahead of management’s original expectations. Continued marketing activity is anticipated to drive revenue growth over the current financial year and beyond

**William Hindmarch, Chief Executive, said:**

“I am pleased to announce strong revenue, profit growth and cash generation as the business has completed its transformation to a wholly online operation, away from its historic presence in airports and retail sites. Our growth strategy is now exclusively focused on driving digital sales, with our ‘Dream Car’ and ‘Lifestyle’ competitions recently joined by a new ‘Midweek Car’ competition.

Our digital only model gives us more flexibility and focus, as well as efficiency and cost savings, combined with ever increasing confidence in our accelerating online marketing investment. This has delivered strong results with both revenue and profit building throughout the second half of the financial year, leading to strong cash generation. Sales momentum since the period end has been encouraging and ahead of management’s original expectations, and we look forward to updating shareholders with further progress in due course.”

**Enquiries:**

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The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014. Please visit [www.botb.com](http://www.botb.com) for further information

**CHIEF EXECUTIVE'S STATEMENT**

Over the past few years the Company has actively reduced the estate of physical sites upon which it was established 20 years ago. Having previously traded from up to twenty-six airport and shopping centre locations, the business has completed its evolution and now operates entirely online. Our marketing activity is exclusively focused on driving traffic, registrations and returning loyal customers to our website, [botb.com](http://botb.com).

I am pleased with the smooth and controlled way in which this transition has been executed, with no loss of overall revenue or unwelcome exceptional costs. With the transformation complete, the Company now has a very effective platform from which it can continue to leverage its proprietary systems, software and the extensive and valuable database it has built, whilst further enhancing the products and experience it offers both new and existing players.

The transformation to becoming a purely digital business has been very successful, giving us more flexibility and focus. The financial results for the year also clearly reflect the benefits of this transition with increased operating margins, improved capital efficiency and cost savings. Our competitions, pricing and product strategy are also now tailored exclusively for our growing and increasingly diversified online customer base, with our 'Dream Car' and 'Lifestyle' competitions recently enhanced by a new 'Midweek Car' competition.

During the year, BOTB's investment in online marketing and customer acquisition continued to accelerate, delivering strong results, profit growth and cash generation, with ongoing sales momentum since the period end.

**Preliminary Results**

Revenue for the year ended 30 April 2020 increased by 20.1% to £17.79 million (2019: £14.81 million) and profit before tax rose to £4.20 million (2019: £2.11 million operating profit before exceptional items), slightly ahead of management expectations, with both revenue and profit building throughout the second half of the financial year. Earnings per share increased to 37.51p (2019: adjusted 17.62p).

A total of £4.89 million of cash flow was generated from operations during the period. Net assets at 30 April 2020 stood at £3.30 million (2019: £1.28 million), underpinned by cash balances of £5.21 million (2019: £2.54 million) and our 966-year leasehold office properties valued at £0.95 million. The Group has no borrowings.

**BEST OF THE BEST PLC**  
**Preliminary Results (continued)**  
**For the year ended 30 April 2020**

**Dividends**

The Board is recommending a final dividend of 3.0p per share (2019: 2.0p) for the full year ended 30 April 2020 subject to shareholder approval at the Annual General Meeting on 16 September 2020. The final dividend will be paid on 2 October 2020 to shareholders on the register on 18 September 2020.

As the Company continues to be profitable, cash generative and benefits from a robust balance sheet, the Board is also pleased to declare the return of approximately £1.88 million to shareholders by way of a special dividend (the “Special Dividend”) of 20.0p per ordinary share.

The Special Dividend will be paid on 10 July 2020 to shareholders on the register at the close of business on 26 June 2020. The ex-dividend date is 25 June 2020. Following the payment of the Special Dividend the Company will retain working capital cash balances in excess of £4.0 million, which the Directors consider to be sufficient working capital to fund the Company’s activities over the next 12 month period.

**Strategy, competitions, 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.

Through continued trials in previous years, the Company has proved it can execute its marketing strategy more effectively using predominantly digital media, complemented by traditional advertising channels. The historical 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.

Both our ‘Dream Car’ and ‘Lifestyle’ competitions delivered encouraging results during the period and we marked the exciting milestones of celebrating both our 500th Dream Car and our 100th Lifestyle winners.

BOTB’s principal competition is the Weekly Dream Car, which continued to perform well. It has benefited from the improvements made to the overall user experience, including price points, choice of cars and the ‘Spot the Ball’ mechanic, which has helped to drive both revenues and customer engagement.

The Weekly Lifestyle Competition, which features luxury watches, motorbikes, holidays, other gadgets/technology and cash prizes, has also performed encouragingly. While there is a meaningful overlap with players of our Dream Car competitions, the range of prizes in the Lifestyle competition, with entry prices starting at just 15p, has significantly broadened our addressable market.

We have recently added a third weekly ‘Midweek Car’ competition, focusing on a slightly cheaper entry point with £1 to £2 ticket prices and ending on a Wednesday night. This has been well received by our customers and we will continue to improve on this and explore other competition offerings.

The weekly ‘In The Headlights’ edits, significant amount of in-house generated content on our YouTube and other social media channels, together with our ‘Supercharged’ Loyalty Club provide additional benefits and valuable engagement with regular players.

With over 75% of new visits and 50% of revenue now coming via mobile devices, there has been a deliberate strategy to keep the core offering simple and focused to maximise conversion. This approach is yielding results and BOTB has built a substantial and valuable database of players, which not only supports its existing competitions, but also offers interesting opportunities for new products and partnerships.

**Continued investment in IT development**

The vast majority of our website visits and over half of our revenue are now from mobile devices. As a result, we are becoming increasingly ‘mobile first’ in our approach to IT development, making incremental improvements to our platform and our user experience by constantly updating the interface.

Our conversion rate on mobile devices, however, is still lower than on desktop and we see an opportunity to increase revenues by further improving the mobile interface. We have released major changes to improve the mobile registration, playing and payment experience, which in turn will assist both conversion and frequency of play. Native iOS and Android apps are also in the final stages of development and testing, to better capitalise on this shift to mobile devices and to further optimise conversion.

**BEST OF THE BEST PLC**  
**Preliminary Results (continued)**  
**For the year ended 30 April 2020**

**New player acquisition and CRM**

As confidence in our approach has increased, we have accelerated our marketing investment, particularly in the second half of the year, resulting in encouraging returns on investment and lifetime value metrics. Encouraging revenue growth has been delivered by an enlarged, in-house marketing team through a wide range of digital marketing channels, as well as TV, Radio, Print, PR and YouTube Influencers, alongside new creative content that has achieved increasingly efficient new customer acquisition.

Social media continues to be a core marketing channel, driving both customer acquisition and brand awareness. Our Facebook page now attracts over 290,000 followers with BOTB's YouTube channel at over 40,000 subscribers, whilst Instagram followers exceed 150,000.

An increasing proportion of our marketing budget is directed at Social Influencers who introduce customers and promote BOTB on their various YouTube channels. We have also seen gains in the efficiency of our TV advertising, as we test and optimise the creative and messaging. This activity is complemented by promotional campaigns executed on traditional media to maximise the Company's exposure to a wide range of ages and demographics, including our 'traditional' airport customer. Investment in print and public relations has secured frequent coverage of weekly winners and continues to positively promote the brand.

All marketing investment is strictly calibrated on the cost per acquisition of a new customer, versus their predicted lifetime value. This metric, which is tracked and analysed in considerable detail across the various channels, is the primary determinant for where and how we continue to grow our marketing budget in the year ahead. 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 customer retention initiatives.

**Outlook**

We are pleased that BOTB has delivered increased revenue and profit ahead of our expectations. The cash generative model and robust balance sheet presents an excellent platform for continued future growth. The initiatives taken to reorientate our marketing strategy toward an online-only model have proven successful, giving us confidence for the new financial year which has started very encouragingly.

We are confident that our streamlined, digital business is well positioned to take advantage of future growth opportunities, and I look forward to updating shareholders on our progress in due course.

William Hindmarch  
Chief Executive

15 June 2020

**BEST OF THE BEST PLC**  
**Preliminary Results (continued)**  
**For the year ended 30 April 2020**

**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.

**Non-financial Risk Management**

*Interruption to website and associated IT infrastructure*

As the Company and Group now operate wholly online, it is heavily reliant on the effective operation of its 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.

**BEST OF THE BEST PLC**  
**Preliminary Results (continued)**  
**For the year ended 30 April 2020**

**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.

**ON BEHALF OF THE BOARD**

William Hindmarch  
Chief Executive  
15 June 2020

**BEST OF THE BEST PLC**  
**Consolidated Statement of Comprehensive Income**  
**For the year ended 30 April 2020**

	Notes	2020 £	2019 £
<b>CONTINUING OPERATIONS</b>			
Revenue		17,788,588	14,806,972
Cost of sales		<u>(7,267,415)</u>	<u>(6,541,790)</u>
<b>GROSS PROFIT</b>		<b>10,521,173</b>	<b>8,265,182</b>
Administrative expenses		<u>(6,328,043)</u>	<u>(6,157,945)</u>
<b>OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS</b>		<b>4,193,130</b>	<b>2,107,237</b>
Exceptional income	6	-	4,597,926
Exceptional expense	6	<u>-</u>	<u>(2,023,500)</u>
<b>OPERATING PROFIT</b>		<b>4,193,130</b>	<b>4,681,663</b>
Finance income	8	<u>11,487</u>	<u>17,902</u>
<b>PROFIT BEFORE INCOME TAX</b>	9	<b>4,204,617</b>	<b>4,699,565</b>
Income tax	10	<u>(686,991)</u>	<u>(858,411)</u>
<b>PROFIT FOR THE YEAR</b>		<b><u>3,517,626</u></b>	<b><u>3,841,154</u></b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translating foreign operations		<u>213</u>	<u>(55)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b><u>213</u></b>	<b><u>(55)</u></b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>3,517,839</u></b>	<b><u>3,841,099</u></b>
Profit attributable to:			
Owners of the parent		<u>3,517,626</u>	<u>3,841,154</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>3,517,839</u>	<u>3,841,099</u>
Earnings per share expressed in pence per share			
Basic from continuing operations	12	37.51	38.54
Diluted from continuing operations	12	37.44	38.52
Adjusted basic from continuing operations	12	37.51	17.62
Adjusted diluted from continuing operations	12	<u>37.44</u>	<u>17.61</u>

The notes form part of these financial statements

**BEST OF THE BEST PLC**  
**Consolidated Statement of Financial Position**  
**As at 30 April 2020**

	Notes	2020 £	2019 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	14	80,924	9,200
Property, plant and equipment	15	1,086,396	1,117,368
Investments	16	-	-
Deferred tax	21	3,215	12,578
		<u>1,170,535</u>	<u>1,139,146</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	17	375,569	159,756
Cash and cash equivalents	18	5,210,426	2,544,636
		<u>5,585,995</u>	<u>2,704,392</u>
<b>TOTAL ASSETS</b>		<u>6,756,530</u>	<u>3,843,538</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	19	468,860	468,860
Share premium		199,324	199,324
Capital redemption reserve		236,517	236,517
Foreign exchange reserve		26,585	26,372
Retained earnings		2,368,907	351,641
<b>TOTAL EQUITY</b>		<u>3,300,193</u>	<u>1,282,714</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	20	3,004,564	1,792,894
Tax payable		451,773	407,930
Provision	22	-	360,000
<b>TOTAL LIABILITIES</b>		<u>3,456,337</u>	<u>2,560,824</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>6,756,530</u>	<u>3,843,538</u>

The financial statements were approved by the Board of Directors on 15 June 2020 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 2020**

	Notes	2020 £	2019 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	14	80,924	9,200
Property, plant and equipment	15	1,086,396	1,117,368
Investments	16	-	-
Deferred tax	21	3,215	12,578
		<u>1,170,535</u>	<u>1,139,146</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	17	375,569	159,756
Cash and cash equivalents	18	5,210,155	2,544,311
		<u>5,585,724</u>	<u>2,704,067</u>
<b>TOTAL ASSETS</b>		<u>6,756,259</u>	<u>3,843,213</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	19	468,860	468,860
Share premium		199,324	199,324
Capital redemption reserve		236,517	236,517
Retained earnings		2,389,773	372,240
<b>TOTAL EQUITY</b>		<u>3,294,474</u>	<u>1,276,941</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	20	3,010,012	1,798,342
Tax payable		451,773	407,930
Provision	22	-	360,000
<b>TOTAL LIABILITIES</b>		<u>3,461,785</u>	<u>2,566,272</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>6,756,259</u>	<u>3,843,213</u>

The profit attributable to shareholders dealt with in the financial statements of the Company was £3,517,893 (2019: £3,840,909).

The financial statements were approved by the Board of Directors on 15 June 2020 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 2020**

	Called up share capital £	Share premium £	Capital redemption reserve £
<b>Balance at 1 May 2018</b>	504,926	199,324	200,451
Issue of share capital			
Dividends paid	-	-	-
Share re-purchase	(36,066)	-	36,066
<b>Transactions with owners</b>	(36,066)	-	36,066
Profit for the year	-	-	-
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
<b>Total comprehensive income</b>	-	-	-
<b>Balance at 30 April 2019</b>	468,860	199,324	236,517
Dividends paid	-	-	-
<b>Transactions with owners</b>	-	-	-
Profit for the year	-	-	-
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
<b>Total comprehensive income</b>	-	-	-
<b>Balance at 30 April 2020</b>	468,860	199,324	236,517

	Foreign exchange reserve £	Retained earnings £	Total £
<b>Balance at 1 May 2018</b>	26,427	614,838	1,545,966
Issue of share capital			
Dividends paid	-	(605,915)	(605,915)
Share re-purchase	-	(3,498,436)	(3,498,436)
<b>Transactions with owners</b>	-	(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)
<b>Total comprehensive income</b>	(55)	3,841,154	3,841,099
<b>Balance at 30 April 2019</b>	26,372	351,641	1,282,714
Dividends paid	-	(1,500,360)	(1,500,360)
<b>Transactions with owners</b>	-	(1,500,360)	(1,500,360)
Profit for the year	-	3,517,626	3,517,626
Other comprehensive income			
Exchange differences arising on translating foreign operations	213	-	213
<b>Total comprehensive income</b>	213	3,517,626	3,517,839
<b>Balance at 30 April 2020</b>	26,585	2,368,907	3,300,193

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 2020**

	Called up share capital £	Share premium £	Capital redemption reserve £
<b>Balance at 1 May 2018</b>	504,926	199,324	200,451
Issue of share capital	-	-	-
Dividends paid	-	-	-
Share re-purchase	(36,066)	-	36,066
<b>Transactions with owners</b>	(36,066)	-	36,066
Profit for the year	-	-	-
<b>Total comprehensive income</b>	-	-	-
<b>Balance at 30 April 2019</b>	468,860	199,324	236,517
Dividends paid	-	-	-
<b>Transactions with owners</b>	-	-	-
Profit for the year	-	-	-
<b>Total comprehensive income</b>	-	-	-
<b>Balance at 30 April 2020</b>	468,860	199,324	236,517

	Retained earnings £	Total £
<b>Balance at 1 May 2018</b>	635,682	1,540,383
Issue of share capital	-	-
Dividends paid	(605,915)	(605,915)
Share re-purchase	(3,498,436)	(3,498,436)
<b>Transactions with owners</b>	(4,104,351)	(4,104,351)
Profit for the year	3,840,909	3,840,909
<b>Total comprehensive income</b>	3,840,909	3,840,909
<b>Balance at 30 April 2019</b>	372,240	1,276,941
Dividends paid	(1,500,360)	(1,500,360)
<b>Transactions with owners</b>	(1,500,360)	(1,500,360)
Profit for the year	3,517,893	3,517,893
<b>Total comprehensive income</b>	3,517,893	3,517,893
<b>Balance at 30 April 2020</b>	2,389,773	3,294,474

The notes form part of these financial statements

**BEST OF THE BEST PLC**  
**Consolidated Statement of Cash Flows**  
**For the year ended 30 April 2020**

	Notes	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	28	4,891,690	4,763,838
Tax paid		<u>(643,149)</u>	<u>(525,846)</u>
<b>Net cash from operating activities</b>		<u><b>4,248,541</b></u>	<u><b>4,237,992</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of intangible assets		(76,324)	(9,200)
Purchase of property, plant and equipment		(17,554)	(128,550)
Sales of property, plant and equipment		-	208,770
Interest received		<u>11,487</u>	<u>17,902</u>
<b>Net cash from investing activities</b>		<u><b>(82,391)</b></u>	<u><b>88,922</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share re-purchase		-	(3,498,436)
Equity dividends paid		<u>(1,500,360)</u>	<u>(605,915)</u>
<b>Net cash from financing activities</b>		<u><b>(1,500,360)</b></u>	<u><b>(4,104,351)</b></u>
Increase in cash and cash equivalents		<u>2,665,790</u>	<u>222,563</u>
Cash and cash equivalents at beginning of year		<u>2,544,636</u>	<u>2,322,073</u>
Cash and cash equivalents at end of year	18	<u><b>5,210,426</b></u>	<u><b>2,544,636</b></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 2020**

	Notes	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	28	4,891,744	4,770,306
Tax paid		(643,149)	(526,554)
<b>Net cash from operating activities</b>		<u>4,248,595</u>	<u>4,243,752</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of intangible assets		(76,324)	(9,200)
Purchase of property, plant and equipment		(17,554)	(128,550)
Sales of property, plant and equipment		-	208,770
Interest received		11,487	17,902
<b>Net cash from investing activities</b>		<u>(82,391)</u>	<u>88,922</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share re-purchase		-	(3,498,436)
Equity dividends paid		(1,500,360)	(605,915)
<b>Net cash from financing activities</b>		<u>(1,500,360)</u>	<u>(4,104,351)</u>
Increase in cash and cash equivalents		2,665,844	228,323
Cash and cash equivalents at beginning of year		2,544,311	2,315,988
Cash and cash equivalents at end of year	18	<u>5,210,155</u>	<u>2,544,311</u>

The notes form part of these financial statements

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement**  
**For the year ended 30 April 2020**

**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 policies. 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 2019. The Company and Group have not early adopted any other Standards, Amendments or Interpretations that have been issued but are not yet effective.

IFRS 16 ‘Leases’ was issued by the IASB in January 2017 and is effective for accounting periods beginning on or after 1 January 2019. The new standard has replaced IAS 17 ‘Leases’ and eliminates the classification of leases as either operating leases or finance leases and, instead, introduce a single lessee accounting model. The standard, which has been endorsed by the EU, provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed.

The following standards have been issued but not applied:

- Amendments to References to Conceptual Framework in IFRS Standards. The Amendments effective date 1 January 2020.
- Amendments to IFRS 3 Business Combinations addresses the definition of a Business combination, to help companies determine whether an acquisition is of a business or a group of assets. The Amendments are effective 1 January 2020.
- Amendments to IAS 1 and IAS 8 addresses definition of material in the context of applying IFRS. The concept of what is and is not material is crucial in preparing financial statements, a change in the definition may fundamentally affect how preparers make judgements in preparing financial statements. The Amendments effective date 1 January 2020.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

*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.

*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.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

*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.

*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.



**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

*2.12 IMPAIRMENT*

The carrying amounts of the Company's and the 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.

*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.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

*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

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 Company and Group has applied IFRS 16 using the modified retrospective approach resulting in a nil impact on opening equity and comparative amounts have not been restated.

The cost of leases of low value items and those with a term of less than one year at inception are recognised as incurred.

*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.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

*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 becomes 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.

*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

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**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.

*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 either the current or prior 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 £14,940,207 (2019: £12,098,896) whilst sales from non-UK activities totalled £2,848,381 (2019: £2,708,076) and included £73,030 (2019: £nil) of ticket sales brought forward from the previous year.

**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 previous financial year. On 20 December 2019, the Company settled an agreed assessment issued by HMRC for Remote Gaming Duty, making a payment of £1,758,875. Accordingly, this sum has been recognised as an exceptional expense in the previous financial year, together with associated legal and professional costs of £264,625 incurred in connection with these claims. There was no exceptional income or expense in the financial year ended 30 April 2020.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**7. EMPLOYEES AND DIRECTORS**

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Wages and salaries	1,748,296	1,772,484	1,748,296	1,772,484
Social security costs	223,766	218,326	223,766	218,326
Other pension costs	34,820	62,892	34,820	62,892
	<u>2,006,882</u>	<u>2,053,702</u>	<u>2,006,882</u>	<u>2,053,702</u>

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

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Sales	1	10	1	10
Administration	17	16	17	16
Management	3	3	3	3
	<u>21</u>	<u>29</u>	<u>21</u>	<u>29</u>

	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Directors' remuneration	<u>525,105</u>	<u>528,717</u>

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

	<i>2020</i>	<i>2019</i>
	<i>Number</i>	<i>Number</i>
Money purchase schemes	<u>2</u>	<u>2</u>

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.

Information regarding the highest paid Director is as follows:

	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Emoluments	<u>263,339</u>	<u>250,967</u>

**8. FINANCE INCOME**

	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Finance income:		
Deposit account interest	<u>11,487</u>	<u>17,902</u>

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**9. PROFIT BEFORE INCOME TAX**

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

	2020 £	2019 £
Depreciation and impairment of property, plant and equipment	48,528	80,174
Amortisation of intangible assets	4,600	127,316
Profit on disposal of property, plant and equipment	-	(132,932)
Foreign exchange losses	2,202	-
Auditor's remuneration		
Audit fees	34,500	33,500
Taxation services	2,250	2,631
Other	23,427	22,500

**10. INCOME TAX**

**Analysis of tax expense**

	2020 £	2019 £
Current tax:		
Current year charge	686,135	830,544
Prior year over provision	(8,507)	-
Total current tax	<u>677,628</u>	<u>830,544</u>
Deferred tax		
Origination and reversal of temporary timing differences	9,363	27,867
Total deferred tax	<u>9,363</u>	<u>27,867</u>
Total tax charge for the year	<u>686,991</u>	<u>858,411</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:

	2020 £	2019 £
Profit on ordinary activities before income tax	<u>4,204,617</u>	<u>4,699,565</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	798,877	892,917
Effects of:		
Depreciation in excess of capital allowances	(3,781)	38,222
Other timing differences	(483)	1,074
Non-deductible expenses	761	5,018
Research and development enhanced deduction	(99,876)	(78,820)
Over provision in prior year	(8,507)	-
Tax expense	<u>686,991</u>	<u>858,411</u>

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**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 £3,517,893 (2019: £3,840,909).

**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>2020</i>	<i>2019</i>
Profit for the year and basic and diluted earnings attributable to the owners of the parent - £	<u>3,517,626</u>	<u>3,841,154</u>
Adjusted profit for the year and basic and diluted earnings attributable to the owners of the parent - £	<u>3,517,626</u>	<u>1,755,869</u>
Weighted average number of ordinary shares - number	<b>9,377,253</b>	9,965,495
Basic earnings per share - pence	<b>37.51p</b>	38.54p
Adjusted basic earnings per share - pence	<u><b>37.51p</b></u>	<u>17.62p</u>
Adjusted weighted average number of ordinary shares - number	<b>9,394,296</b>	9,971,206
Diluted earnings per share - pence	<b>37.44p</b>	38.52p
Adjusted diluted earnings per share - pence	<u><b>37.44p</b></u>	<u>17.61p</u>

**13. DIVIDENDS**

The Company paid a final dividend of 2.0 pence per share on 27 September 2019, as recommended in the financial statements to 30 April 2019. Furthermore, a Special Dividend of 14.0pence per share was paid on 21 February 2020 to shareholders on the register at the close of business on 6 February 2020.

The Board is recommending a final dividend of 3.0pence per share (2019: 2.0pence per share) for the full year ending 30 April 2020 subject to shareholder approval at the Annual General Meeting on 16 September 2020. The final dividend will be paid on 02 October 2020 to shareholders on the register on 18 September 2020.

**14. INTANGIBLE ASSETS – GROUP AND COMPANY**

	<i>Development costs</i> £
<b>COST</b>	
At 1 May 2019	314,650
Additions	<u>76,324</u>
<b>At 30 April 2020</b>	<u><b>390,974</b></u>
<b>AMORTISATION</b>	
At 1 May 2019	305,450
Charge for year	<u>4,600</u>
<b>At 30 April 2020</b>	<u><b>310,050</b></u>
<b>NET BOOK VALUE</b>	
<b>2020</b>	<u><b>80,924</b></u>
2019	<u>9,200</u>

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**14. INTANGIBLE ASSETS – GROUP AND COMPANY (continued)**

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

**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> £
<b>COST</b>				
At 1 May 2019	954,034	25,950	102,664	172,329
Additions	-	-	-	-
Disposals	-	-	-	(172,329)
<b>At 30 April 2020</b>	<b><u>954,034</u></b>	<b><u>25,950</u></b>	<b><u>102,664</u></b>	<b><u>-</u></b>
 <b>DEPRECIATION AND IMPAIRMENT</b>				
At 1 May 2019	10,498	3,168	76,893	172,329
Charge for the year	3,624	1,038	-	-
Eliminated on disposals	-	-	-	(172,329)
<b>At 30 April 2020</b>	<b><u>14,122</u></b>	<b><u>4,206</u></b>	<b><u>76,893</u></b>	<b><u>-</u></b>
 <b>NET BOOK VALUE</b>				
<b>2020</b>	<b><u>939,912</u></b>	<b><u>21,744</u></b>	<b><u>25,771</u></b>	<b><u>-</u></b>
2019	<u>943,536</u>	<u>22,782</u>	<u>25,771</u>	<u>-</u>
 <b>COST</b>				
At 1 May 2019	155,371	128,995	1,539,343	
Additions	-	17,556	17,556	
Disposals	-	-	(172,329)	
<b>At 30 April 2020</b>	<b><u>155,371</u></b>	<b><u>146,551</u></b>	<b><u>1,384,570</u></b>	
 <b>DEPRECIATION AND IMPAIRMENT</b>				
At 1 May 2019	42,771	116,316	421,975	
Charge for the year	28,150	15,716	48,528	
Eliminated on disposals	-	-	(172,329)	
<b>At 30 April 2020</b>	<b><u>70,921</u></b>	<b><u>132,032</u></b>	<b><u>298,174</u></b>	
 <b>NET BOOK VALUE</b>				
<b>2020</b>	<b><u>84,450</u></b>	<b><u>14,519</u></b>	<b><u>1,086,396</u></b>	
2019	<u>112,600</u>	<u>12,679</u>	<u>1,117,368</u>	



**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**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>
<b>COST</b>				
At 1 May 2018	954,034	25,950	473,591	170,219
Additions	-	-	-	2,110
Disposals	-	-	(370,927)	-
<b>At 30 April 2019</b>	<b><u>954,034</u></b>	<b><u>25,950</u></b>	<b><u>102,664</u></b>	<b><u>172,329</u></b>
<b>DEPRECIATION AND IMPAIRMENT</b>				
At 1 May 2017	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)	-
<b>At 30 April 2019</b>	<b><u>10,498</u></b>	<b><u>3,168</u></b>	<b><u>76,893</u></b>	<b><u>172,329</u></b>
<b>NET BOOK VALUE</b>				
<b>2019</b>	<b><u>943,536</u></b>	<b><u>22,782</u></b>	<b><u>25,771</u></b>	<b><u>-</u></b>
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>	
<b>COST</b>				
At 1 May 2018	58,275	115,137	1,797,206	
Additions	112,582	13,858	128,550	
Disposals	(15,486)	-	(386,413)	
<b>At 30 April 2019</b>	<b><u>155,371</u></b>	<b><u>128,995</u></b>	<b><u>1,539,343</u></b>	
<b>DEPRECIATION AND IMPAIRMENT</b>				
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)	
<b>At 30 April 2019</b>	<b><u>42,771</u></b>	<b><u>116,316</u></b>	<b><u>421,975</u></b>	
<b>NET BOOK VALUE</b>				
<b>2019</b>	<b><u>112,600</u></b>	<b><u>12,679</u></b>	<b><u>1,117,368</u></b>	
2018	<u>23,197</u>	<u>10,602</u>	<u>1,144,830</u>	

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**16. INVESTMENTS**

**Group**

	<i>Unlisted investments</i> £
<b>COST</b>	
At 1 May 2019 and 30 April 2020	70,000
<b>IMPAIRMENT</b>	
At 1 May 2019 and 30 April 2020	70,000
<b>NET BOOK VALUE</b>	
At 1 May 2019 and 30 April 2020	-

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> £
<b>COST</b>			
At 1 May 2019 and 30 April 2020	85	70,000	70,085
<b>IMPAIRMENT</b>			
At 1 May 2019 and 30 April 2020	85	70,000	70,085
<b>NET BOOK VALUE</b>			
At 1 May 2019 and 30 April 2020	-	-	-

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

BOTB Ireland Limited registered office is Suite 3 One Earlsfort Centre, Lower Hatch Street, Dublin 2, Ireland

**17. TRADE AND OTHER RECEIVABLES – GROUP AND COMPANY**

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	£	£	£	£
Trade receivables	1,832	765	1,832	765
Other receivables	308,507	32,560	308,507	32,560
Prepayments and accrued income	65,230	126,431	65,230	126,431
	375,569	159,756	375,569	159,756

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

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**18. CASH AND CASH EQUIVALENTS – GROUP AND COMPANY**

	<i>Group</i>		<i>Company</i>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank accounts	5,209,613	2,543,094	5,209,342	2,542,770
Cash in hand	813	1,542	813	1,541
	<u>5,210,426</u>	<u>2,544,636</u>	<u>5,210,155</u>	<u>2,544,311</u>

**19. CALLED UP SHARE CAPITAL – COMPANY**

	<b>2020</b>		<b>2019</b>	
	<i>Number</i>	<i>Number</i>	<b>£</b>	<b>£</b>
<b>Allotted, issued and fully paid</b>				
<i>Ordinary shares of 5 pence each</i>				
At the start of the year	9,377,253	10,098,580	468,860	504,926
Shares allotted during the year	-	-	-	-
Purchased for cancellation in the year	-	(721,327)	-	(36,066)
At the end of the year	<u>9,377,253</u>	<u>9,377,253</u>	<u>468,860</u>	<u>468,860</u>

No shares were allotted during the year.

**20. TRADE AND OTHER PAYABLES – GROUP AND COMPANY**

	<i>Group</i>		<i>Company</i>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	164,822	343,186	164,822	343,186
Amounts owed to Group undertakings	-	-	5,448	5,448
Social security and other taxes	902,280	392,533	902,280	392,533
Other creditors	1,493,080	978,262	1,493,080	978,262
Contract liability balances	441,039	73,030	441,039	73,030
Pension creditor	3,343	5,883	3,343	5,883
	<u>3,004,564</u>	<u>1,792,894</u>	<u>3,010,012</u>	<u>1,798,342</u>

**21. DEFERRED TAX – GROUP AND COMPANY**

	<i>Group</i>		<i>Company</i>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Asset at 1 May	12,578	40,445	12,578	40,445
Movement in the year	(9,363)	(27,867)	(9,363)	(27,867)
Asset at 30 April	<u>3,215</u>	<u>12,578</u>	<u>3,215</u>	<u>12,578</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.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**22. PROVISIONS – GROUP AND COMPANY**

	<i>Group</i>		<i>Company</i>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May	<b>360,000</b>	206,550	<b>360,000</b>	206,550
Utilised during the year	<b>(172,135)</b>	(151,050)	<b>(360,000)</b>	(151,050)
Released during the year	<b>(187,865)</b>	-	<b>(187,865)</b>	-
Additions	-	304,500	-	304,500
Asset at 30 April	<u>-</u>	<u>360,000</u>	<u>-</u>	<u>360,000</u>

The onerous retail site lease was exited in the year and the costs of early termination, including related closure costs, have been utilised against the brought forward provision.

The balance has been released to the Consolidated Statement of Comprehensive Income.

**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 2019</i>	<i>Granted</i>	<i>Exercised</i>	<i>Forfeited</i>	<i>Outstanding at 30 April 2020</i>	<i>Expiry date</i>	<i>Exercise price</i>
19-12-2017	45,000	-	-	-	45,000	19-12-2027	£2.25
28-02-2020	-	85,000	-	-	85,000	28-02-2030	£3.85

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:

	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>Number</b>	<b>WAEP</b>	<b>Number</b>	<b>WAEP</b>
Outstanding at the beginning of year	<b>45,000</b>	<b>225.00</b>	45,000	225.00
Granted during the year	<b>85,000</b>	<b>385.00</b>	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	<u><b>130,000</b></u>	<u><b>330.00</b></u>	<u>45,000</u>	<u>225.00</u>
Exercisable at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The weighted average remaining contractual life of share options outstanding as at 30 April 2020 was 9 years and 1 month (2019: 8 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 (2019: £Nil).

**24. LEASES – GROUP AND COMPANY**

The amounts recognised in the Consolidated Statement of Comprehensive Income was as follows:

	<i>Group</i>		<i>Company</i>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expenses related to short term leases	<b>13,635</b>	218,443	<b>13,635</b>	218,443

During the year the retail site lease was exited. This has been treated as a short-term lease and expensed

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

**25. LEASES – GROUP AND COMPANY (continued)**

The amount recognised in the Consolidated and Company Statement of Cash Flows was as follows:

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cash flows from operating activities	<b>13,635</b>	218,443	<b>13,635</b>	218,443

**26. 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>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Financial assets classified as loans and receivables – carrying amounts:		
Trade receivables	<b>288,484</b>	765
Other receivables	<b>21,855</b>	32,560
Cash and cash equivalents	<b>5,210,426</b>	2,544,636
	<b><u>5,520,765</u></b>	<b><u>2,577,961</u></b>

*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.

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

	<i>2020</i>		<i>2019</i>	
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Financial liabilities measured at amortised cost – carrying amounts	<b>Up to 1 year</b>	<b>After 1 year</b>	Up to 1 year	After 1 year
Trade and other payables	<b><u>2,563,525</u></b>	-	<u>1,719,864</u>	-
	<b><u>2,563,525</u></b>	<u>-</u>	<u>1,719,864</u>	<u>-</u>

**27. 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 2020, payments were made to him totaling £17,000 (2019: £12,000) in respect of consultancy services provided. The total amount due to M W Hindmarch at 30 April 2020 was £1,500 (2019: £1,000).

**28. 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.

**BEST OF THE BEST PLC**  
**Notes to the Preliminary Announcement (continued)**  
**For the year ended 30 April 2020**

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

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Profit before income tax	4,204,617	4,699,565	4,204,884	4,699,320
Depreciation charges	48,526	80,174	48,526	80,174
Amortisation charges	4,600	127,316	4,600	127,316
Profit on disposal of property, plant and equipment	-	(132,932)	-	(132,932)
Investment impairment charge	-	-	-	-
Exchange differences	213	(55)	-	-
Finance income	<u>(11,487)</u>	<u>(17,902)</u>	<u>(11,487)</u>	<u>(17,902)</u>
	<b>4,246,469</b>	<b>4,756,166</b>	<b>4,246,523</b>	<b>4,755,976</b>
(Increase) / decrease in trade and other receivables	<b>(215,813)</b>	<b>(9,633)</b>	<b>(215,813)</b>	<b>(10,023)</b>
(Decrease) / increase in trade and other payables	<b>1,211,671</b>	<b>(136,145)</b>	<b>1,211,671</b>	<b>(129,097)</b>
Increase in provision	<u><b>(350,637)</b></u>	<u>153,450</u>	<u><b>(350,637)</b></u>	<u>153,450</u>
<b>Cash generated from operations</b>	<b><u>4,891,690</u></b>	<b><u>4,763,838</u></b>	<b><u>4,891,744</u></b>	<b><u>4,770,306</u></b>

**30. SUBSEQUENT EVENTS**

The impact of the COVID-19 pandemic is a non-adjusting event as at 30 April 2020 for the purposes of these financial statements. The outbreak has developed rapidly in 2020 and has caused disruption to business, economic activities and impacted global markets.

The safety of our team and customers is and remains of paramount importance and our operations are continuing with remote working arrangements and ‘virtual’ notification and delivery of competition prizes.

Management continues to monitor the potential implications of the COVID-19 pandemic, however, to date, it has not had any material negative impact on the business, its operations or its financial performance.