Best of the Best plc
(“Best of the Best”, “BOTB”, “the Company” or “the Group”)
Preliminary results for the year ended 30 April 2021

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

100% of revenues derived from online operations, delivering a very strong financial performance

Financial Highlights:

- Revenue increased to £45.68 million (2020: £17.79 million)
- Profit before tax of £14.06 million (2020: £4.19 million)
- Earnings per share increased to 122.52p (2020: 37.51p)
- Net assets of £8.96 million, substantially underpinned by property and cash
- Cash balances of £11.8 million at 30 April 2021 - the Group is debt free
- Proposed 5.0p Final Dividend to be paid on 1 October 2021 (2020: 3.0p)
- Special Dividend of 50.0p to be paid on 16 July 2021

Operational Highlights:

- Move to digital only model significantly improved capital efficiency following the strategic move away from lower margin, capital intensive retail estate comprising up to 26 locations
- Successful continuation of the Midweek competition
- Significant year-on-year growth in online marketing investment and player acquisition, combined with increased competition frequency, delivered very strong results in the period
- Strategic options review concluded with ongoing focus on existing strategy

William Hindmarch, Chief Executive, said:
“In what has been an unprecedented and extremely challenging year for so many individuals personally, as well as many businesses, the Company was fortunate to have made the strategic decision some time ago to exit its predominantly airport-based retail estate and to concentrate on a pure online strategy.

As a result, I am pleased to announce strong revenue, profit growth and cash generation as the business continued to benefit from its transformation to a wholly online operation, combined with material increases in marketing investment and our broader product offering. Our growth strategy remains focused on driving digital sales, with our ‘Dream Car’ and ‘Lifestyle’ competitions joined by the ‘Midweek Car’ competition, now fully supported by native iOS and Android apps. Our digital only model gives us flexibility and focus, as well as capital efficiency and cost savings, combined with the potential to further increase online marketing investment.

We are excited about the opportunities that the year ahead holds for BOTB, with a recovering economy and hopefully a return to normality. However, in contrast to the summer 2020 period, we have experienced somewhat of a reduction in customer engagement since the latest easing of lockdown restrictions on April 12, 2021, specifically relating to the understandably long-awaited re-opening of hospitality and non-essential retail. We are closely monitoring this, but with our flexible model, growth strategy and plans for the year ahead, we expect customer engagement to return to normal levels before too long. I look forward to updating shareholders in due course.”

Enquiries:

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR. Please visit www.botb.com for further information

CHIEF EXECUTIVE’S STATEMENT

Having made the strategic decision to exit our predominantly airport-based retail estate and concentrate on a pure online strategy, we have been able to tailor our business, product and pricing specifically to a much more scalable, online only proposition. The exit from our final physical site in September 2019 was, with the benefit of hindsight, opportune given the restrictions on travel that have been in place due to the pandemic. Our online only strategy to significantly increase year on year growth in online marketing investment and player acquisition, combined with additional competition frequency, delivered a materially enhanced top line performance, strong profitability and cash generation.

As a purely online business, we are now completely focused on enhancing the products and experience we offer to both new and existing players by leveraging our proprietary systems, software and the extensive and valuable database that we have created over many years. We now have our best ever product proposition following the investments we have made to enhance prize values and reduce ticket prices. These initiatives have enabled us to retain existing players and acquire new ones. It is this focus and continued engagement with our customers that has driven our strong performance during the period.

The financial results for the year clearly reflect the benefits of our online only focus, with increased operating margins, improved capital efficiency and cost savings, enabling investment in new competitions, additional headcount, IT and app development.

During the year we also launched a strategic review and explored early-stage discussions with a number of interested parties in an orderly fashion. The "formal sale process" mechanism was adopted in order to facilitate these discussions with certain regulatory dispensations under the Takeover Code. Following extensive talks with a range of parties, the Board concluded that it was is in shareholders' best interests to focus on the continuing growth of the business under its existing strategy as a publicly quoted business. This pure online strategy, with a focus on cash generation, has enabled a policy of consistent shareholder returns and we are confident will continue to do so.

Final Results

This financial year was the first year that 100% of revenue has been derived from online operations and the positive effect of this transition can be clearly seen in our strong financial performance. Revenue for the year ended 30 April 2021 increased to £45.68 million (2020: £17.79 million) and profit before tax rose to £14.06 million (2020: £4.19 million). Earnings per share increased to 122.52p (2020: 37.51p).

A total of £14.27 million of cash flow was generated from operations during the period. Net assets at 30 April 2021 stood at £8.96 million (2020: £3.30 million), underpinned by cash balances of £11.8 million (2020: £5.21 million) and our 965-year leasehold office properties valued at £0.95 million. The Group is debt free.

Dividends

In line with our progressive dividend policy, the Board is recommending a final dividend of 5.0p per share (2020: 3.0p) for the full year ended 30 April 2021 subject to shareholder approval at the Annual General Meeting on 15 September 2021. The final dividend will be paid on 1 October 2021 to shareholders on the register on 17 September 2021.

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 £4.71 million to shareholders by way of a special dividend (the "Special Dividend") of 50.0p per ordinary share.

The Special Dividend will be paid on 16 July 2021 to shareholders on the register at the close of business on 2 July 2021. The ex-dividend date is 1 July 2021. Following the payment of the Special Dividend the Company will retain working capital cash balances in excess of £6.0 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

The period to 30 April 2021 marked the first financial year since our inception in 2000 that the Company did not generate any physical site revenues. Our strategic decision to move to an online only model was based on efficiencies that can be delivered, both financially and operationally, using evolving digital channels.

We have continued to innovate and have successfully executed marketing strategies more effectively using predominantly digital media, complemented by traditional advertising channels.

In recent years, we have successfully diversified our offering and significantly broadened our addressable market by offering players prizes across new categories and at a variety of ticket prices. BOTB's principal competitions are the Weekly Dream Car Competition, which continued to perform well and the more recently launched Midweek Competition, with a more focussed selection of prizes. During the year, the improvements we have made to enhance the overall user experience included materially reduced prices, a wider choice of cars, cash included as standard, and further improvements to the 'Spot the Ball' mechanic.

I am pleased to report that our continued innovation is popular with our players and has driven increased levels of engagement and repeat play.

The Weekly Lifestyle Competition, which features luxury watches, motorbikes, holidays, other gadgets/technology and cash prizes, has continued to perform well.

Whilst the COVID-19 restrictions in place during most of the year significantly curtailed the ability of our presenting team to surprise winners at home or at work, we were pleased that the video calling alternatives available were well received by our players and continued to provide the engaging content for which BOTB has become so well regarded.

BOTB now has a database of over 1.7 million which supports existing competitions and can also provide us with new opportunities. We have continued to consider and review potential new products and partnerships and will update shareholders as appropriate in due course.

Continued investment in IT development

With the vast majority of our website visits and over half of our revenue now from mobile devices, mobile usage remains fundamental in our approach to IT development. During the year, we have made further progress to enhance our mobile interface which has led to higher conversion rates, including improvements to the mobile registration, playing and payment experience, including Apple Pay, which in turn will assist both conversion and frequency of engagement.

Following a longer than expected period of development and testing, both our native iOS app and our native Android app are now live in the respective Apple and Play stores. Whilst the Android App was only recently released, customer reaction has so far been pleasingly positive and has now given us the confidence to commence a programme of customer awareness and app marketing activity.

New player acquisition and CRM

As planned, during the financial year we accelerated marketing investment, in particular using digital marketing to engage with new players and this has delivered efficient returns on investment and lifetime value metrics. All marketing investment is strictly calibrated on the cost per acquisition of a new customer versus their predicted lifetime value.

We have continued to focus on social media as a core marketing channel, driving both customer acquisition and brand awareness. Our engagement metrics increased with our Facebook page now attracting over 400,000 followers, with BOTB's YouTube channel at over 60,000 subscribers, and Instagram followers nearing 300,000.

Two new TV ads were produced and aired during the period, with ongoing testing and optimisation for different audiences. We have continued to complement our social media activities with campaigns executed on traditional media to maximise our exposure to a wide range of ages and demographics, including our 'traditional' airport customer.

Board Changes

In March 2021, Ben Hughes and Daniel Burns joined the Board as Executive Director and Non-Executive Director, respectively.

Ben Hughes has served as Marketing Director for Best of the Best since 2010 and leads all marketing strategy, budgeting and delivery for the Company. During his tenure Ben has been responsible for devising and implementing the Company's marketing strategies to increase online revenues and to significantly grow the brand's online presence. Previously, Ben spent nine years at News International where he was Head of Marketing (Digital) for News Group Media.

Daniel Burns is an experienced corporate financier in the gaming, competitions, lottery and media sector with over 20 years of advisory experience covering both public and private companies. Daniel is Managing Partner at Oakvale Capital LLP, a corporate finance advisor in the gaming and media industry. Daniel previously worked as a corporate lawyer at Macfarlanes, focusing on venture capital and international mergers and acquisitions. He has sat on the advisory boards of a number of the largest gaming companies.

Following the appointment of Ben and Daniel, the Company had three Executive Directors and three Non-Executive Directors, of which one can be considered independent. The Board continues to place significant importance on corporate governance and as a result will seek to appoint an additional independent director in due course. In consideration of this, Michael Hindmarch, Non-Executive Chairman, has also agreed to step down as Chairman by 1 October 2021, with an independent Non-Executive Chairman appointed in due course.

Outlook

Our performance in 2020 reflects our online focus and efficient investment in marketing activities and we are pleased that BOTB has delivered substantially increased revenue and profit. BOTB's ability to generate cash, our strong balance sheet and the fact that we have no debt gives us confidence in our ability to deliver continued future growth.

We are excited about the opportunities that the year ahead holds for BOTB, with a recovering economy and hopefully a return to normality. However, in contrast to the summer 2020 period, we have experienced somewhat of a reduction in customer engagement since the latest easing of lockdown restrictions on April 12, 2021, specifically relating to the understandably long-awaited re-opening of hospitality and non-essential retail. We are closely monitoring this, but with our flexible model, growth strategy and plans for the year ahead, we expect customer engagement to return to normal levels before too long. I look forward to updating shareholders in due course.

KEY PERFORMANCE INDICATORS
The Directors have monitored the performance of the Company 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 now operates 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.

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

Regulatory change
The Company currently operates weekly skilled competitions, which are not regulated. This could be subject to change in the future and the Company 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

BEST OF THE BEST PLC

Consolidated Statement of Comprehensive Income
For The Year Ended 30 April 2021

	Notes	**2021** **£000**	2020 £000
CONTINUING OPERATIONS			
Revenue		**45,681**	17,789
Cost of sales		**(17,410)**	(7,267)
GROSS PROFIT		**28,271**	10,522
Administrative expenses		**(14,209)**	(6,328)
OPERATING PROFIT		**14,062**	4,194
Finance income	7	**1**	11
PROFIT BEFORE INCOME TAX	9	**14,063**	4,205
Income tax	10	**(2,569)**	(687)
PROFIT FOR THE YEAR		**11,494**	3,518
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		**-**	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**11,494**	3,518
Profit attributable to:			
Owners of the parent		**11,494**	3,518
Total comprehensive income attributable to:			
Owners of the parent		**11,494**	3,518
Earnings per share expressed in pence per share			
Basic from continuing operations	12	**122.52**	37.51
Diluted from continuing operations	12	**121.82**	37.44

The notes form part of this Preliminary Announcement

BEST OF THE BEST PLC

Consolidated Statement of Financial Position
As at 30 April 2021

	Notes	2021 £000	2020 £000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	**160**	81
Property, plant and equipment	15	**1,103**	1,086
Investments	16	**-**	-
Deferred tax	21	**-**	3
		1,263	1,170
CURRENT ASSETS			
Trade and other receivables	17	**271**	376
Cash and cash equivalents	18	**11,814**	5,210
		12,085	5,586
TOTAL ASSETS		**13,348**	6,756
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	**471**	469
Share premium		**277**	199
Capital redemption reserve		**236**	236
Foreign exchange reserve		**27**	27
Retained earnings		**7,953**	2,369
TOTAL EQUITY		**8,964**	3,300
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	**3,053**	3,004
Tax payable		**1,317**	452
Provision	21	**14**	-
TOTAL LIABILITIES		**4,384**	3,456
TOTAL EQUITY AND LIABILITIES		**13,348**	6,756

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BEST OF THE BEST PLC

Company Statement of Financial Position
As at 30 April 2021

	Notes	2021 £000	2020 £000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	**160**	81
Property, plant and equipment	15	**1,103**	1,086
Investments	16	**-**	-
Deferred tax	21	**-**	3
		1,263	1,170
CURRENT ASSETS			
Trade and other receivables	17	**271**	376
Cash and cash equivalents	18	**11,814**	5,210
		12,085	5,586
TOTAL ASSETS		**13,348**	6,756
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	**471**	469
Share premium		**277**	199
Capital redemption reserve		**236**	236
Retained earnings		**7,975**	2,390
TOTAL EQUITY		**8,959**	3,294
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	**3,058**	3,010
Tax payable		**1,317**	452
Provision	21	**14**	-
TOTAL LIABILITIES		**4,389**	3,462
TOTAL EQUITY AND LIABILITIES		**13,348**	6,756

The notes form part of this Preliminary Announcement

BEST OF THE BEST PLC

Consolidated Statement of Changes in Equity
For The Year Ended 30 April 2021

	Called up share capital £000	Share premium £000	Capital redemption reserve £000
Balance at 1 May 2019	469	199	236
Dividends paid	-	-	-
Transactions with owners	-	-	-
Profit for the year	-	-	-
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
Total comprehensive income	-	-	-
Balance at 30 April 2020	469	199	236
Issue of share capital	2	78	-
Dividends paid	-	-	-
Transactions with owners	-	-	-
Profit for the year	-	-	-
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
Total comprehensive income	-	-	-
Balance at 30 April 2021	471	277	236

	Foreign exchange reserve £000	Retained earnings £000	Total £000
Balance at 1 May 2019	27	352	1,283
Issue of share capital			
Dividends paid	-	(1,501)	(1,501)
Transactions with owners	-	(1,501)	(1,501)
Profit for the year	-	3,518	3,518
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
Total comprehensive income	-	3,518	3,518
Balance at 30 April 2020	27	2,369	3,300
Issue of share capital	-	-	80
Dividends paid	-	(5,910)	(5,910)
Transactions with owners	-	(5,910)	(5,910)
Profit for the year	-	11,494	11,494
Other comprehensive income			
Exchange differences arising on translating foreign operations	-	-	-
Total comprehensive income	-	11,494	11,494
Balance at 30 April 2021	27	7,953	8,964

The notes form part of this Preliminary Announcement

BEST OF THE BEST PLC

Company Statement of Changes in Equity
For The Year Ended 30 April 2021

	Called up share capital £000	Share premium £000	Capital redemption reserve £000
Balance at 1 May 2019	469	199	236
Issue of share capital	-	-	-
Dividends paid	-	-	-
Transactions with owners	-	-	-
Profit for the year	-	-	-
Total comprehensive income	-	-	-
Balance at 30 April 2020	469	199	236
Issue of share capital	2	78	-
Dividends paid	-	-	-
Transactions with owners	-	-	-
Profit for the year	-	-	-
Total comprehensive income	-	-	-
Balance at 30 April 2021	471	277	236

	Retained earnings £000	Total £000
Balance at 1 May 2019	373	1,277
Issue of share capital	-	-
Dividends paid	(1,501)	(1,501)
Transactions with owners	(1,501)	(1,501)
Profit for the year	3,518	3,518
Total comprehensive income	3,518	3,518
Balance at 30 April 2020	2,390	3,294
Issue of share capital	-	80
Dividends paid	(5,910)	(5,910)
Transactions with owners	(5,910)	(5,910)
Profit for the year	11,495	11,495
Total comprehensive income	11,495	11,495
Balance at 30 April 2021	7,975	8,959

The notes form part of this Preliminary Announcement

BEST OF THE BEST PLC

Consolidated Statement of Cash Flows
For The Year Ended 30 April 2021

	Notes	2021 £000	2020 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		**14,270**	4,892
Tax paid		**(1,686)**	(643)
Net cash from operating activities		**12,584**	4,249
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		**(84)**	(76)
Purchase of property, plant and equipment		**(67)**	(17)
Interest received		**1**	11
Net cash from investing activities		**(150)**	(82)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue		**80**	-
Equity dividends paid		**(5,910)**	(1,501)
Net cash from financing activities		**(5,830)**	(1,501)
Increase in cash and cash equivalents		**6,604**	2,666
Cash and cash equivalents at beginning of year		**5,210**	2,544
Cash and cash equivalents at end of year	18	**11,814**	5,210

RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2021 £000	*2020 £000*
Profit before income tax	**14,063**	4,205
Depreciation charges	**50**	49
Amortisation charges	**5**	5
Finance income	**(1)**	(11)
	14,117	4,248
Decrease/(increase) in trade and other receivables	**105**	(216)
Increase in trade and other payables	**48**	1,211
Increase in provision	**-**	(351)
Cash generated from operations	**14,270**	4,892

The notes form part of this Preliminary Announcement

BEST OF THE BEST PLC

Company Statement of Cash Flows
For The Year Ended 30 April 2021

	Notes	2021 £000	2020 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		**14,270**	4,892
Tax paid		**(1,686)**	(643)
Net cash from operating activities		**12,584**	4,249
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		**(84)**	(76)
Purchase of property, plant and equipment		**(67)**	(17)
Sales of property, plant and equipment		**-**	-
Interest received		**1**	11
Net cash from investing activities		**(150)**	(82)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue		**80**	-
Equity dividends paid		**(5,910)**	(1,501)
Net cash from financing activities		**(5,830)**	(1,501)
Increase in cash and cash equivalents		**6,604**	2,666
Cash and cash equivalents at beginning of year		**5,210**	2,544
Cash and cash equivalents at end of year	18	**11,814**	5,210

RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2021 *£000*	*2020* *£000*
Profit before income tax	**14,063**	4,205
Depreciation charges	**50**	49
Amortisation charges	**5**	5
Finance income	**(1)**	(11)
	14,117	4,248
Decrease/(increase) in trade and other receivables	**105**	(216)
Increase in trade and other payables	**48**	1,211
Increase in provision	**-**	(351)
Cash generated from operations	**14,270**	4,892

The notes form part of this Preliminary Announcement

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 in conformity with the requirements 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 thousand Pounds.

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 2020. The Company and Group have not early adopted any other Standards, Amendments or Interpretations that have been issued but are not yet effective.

The following standards have been adopted:

- Amendments to References to Conceptual Framework in IFRS Standards. The Amendments effective date 1 January 2021.
- 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 2021.
- 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 2021.
- Covid-19 Related Rent Concessions (Amendment to IFRS 16).

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

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements, all of which are effective for the accounting period commencing 1 January 2022. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- Narrow scope amendments to IFRS 3, IAS 16 and IAS 27.
- Annual improvements to IFRS Standards 2018 – 2020.
- Amendments to IAS 1: Classification of Liabilities as Current or non Current.

As yet, none of these have been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed. The Directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective.

The company has applied UK-adopted IAS. At the date of application, both UK-adopted IAS and EU-adopted IFRS the same.

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 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.

2.6 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. PRINCIPAL ACCOUNTING POLICIES (continued)

2.7 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.

2.8 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.

2.9 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.

2.10 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. PRINCIPAL ACCOUNTING POLICIES (continued)

2.11 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.

2.12 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.

2.13 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. PRINCIPAL ACCOUNTING POLICIES (continued)

2.14 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.

2.15 *INVESTMENTS*
Investments in subsidiaries and unlisted investments are recorded at cost less any provision for permanent diminution in value.

2.16 *LEASES*

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

2.17 *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. PRINCIPAL ACCOUNTING POLICIES (continued)

2.18 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.

2.19 *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.

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 £41,499,000 (2020: £14,940,000) whilst sales from non-UK activities totalled £4,182,000 (2020: £2,848,000).

6. EMPLOYEES AND DIRECTORS

	Group		Company	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Wages and salaries	**1,941**	1,748	**1,941**	1,748
Social security costs	**241**	224	**241**	224
Other pension costs	**16**	35	**16**	35
	2,198	2,007	**2,198**	2,007

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

	Group		Company	
	2021	*2020*	***2021***	*2020*
	Number	*Number*	***Number***	*Number*
Sales	**9**	1	**9**	1
Administration	**10**	17	**10**	17
Management	**2**	3	**2**	3
	21	21	**21**	21

	2021	*2020*
	£000	*£000*
Directors' remuneration	**613**	562

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

	2021	*2020*
	Number	*Number*
Money purchase schemes	**3**	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.

Information regarding the highest paid Director is as follows:

	2021	*2020*
	£000	*£000*
Emoluments	**277**	263

7. FINANCE INCOME

	2021	*2020*
	£000	*£000*
Finance income:		
Deposit account interest	**1**	11

9. PROFIT BEFORE INCOME TAX

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

	2021	*2020*
	£000	*£000*
Depreciation and impairment of property, plant and equipment	**50**	49
Amortisation of intangible assets	**5**	5
Foreign exchange losses	**1**	2
Auditor's remuneration		
Audit fees	**36**	34
Taxation services	**3**	2
Other	**18**	23

10. INCOME TAX

Analysis of tax expense

	2021	*2020*
	£000	*£000*
Current tax:		
Current year charge	**2,552**	686
Prior year over provision	**-**	(8)
Total current tax	**2,552**	678
Deferred tax		
Origination and reversal of temporary timing differences	**17**	9
Total deferred tax	**17**	9
Total tax charge for the year	**2,569**	687

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:

	2021	*2020*
	£	*£*
Profit on ordinary activities before income tax	**14,063**	4,205
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	**2,672**	799
Effects of:		
Other timing differences	**(1)**	(4)
Non-deductible expenses	**-**	-
Research and development enhanced deduction	**(102)**	(100)
Over provision in prior year		(8)
Tax expense	**2,569**	687

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 £11,494,000,000 (2020: £3,517,000).

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.

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.

	2021	*2020*
Profit for the year and basic and diluted earnings attributable to the owners of the parent - £000	**11,494**	3,518
Weighted average number of ordinary shares - number	**9,381,253**	9,377,253
Basic earnings per share - pence	**122.52p**	37.51p
Adjusted weighted average number of ordinary shares - number	**9,435,186**	9,394,296
Diluted earnings per share - pence	**121.82p**	37.44p

13. **DIVIDENDS**

A final dividend of 3.0 pence per ordinary share for the full year ending 30 April 2020 was paid on 2 October 2020 to shareholders on the register at 18 September 2020. A special dividend of 20.0 pence per ordinary share was paid on 10 July 2020 to shareholders on the register at the close of business on 26 June 2020, and a further special dividend of 40.0 pence per ordinary share was paid on 5 February 2021 to shareholders on the register at the close of business on 22 January 2021.

The Board is recommending a final dividend of 5.0 pence per share (2020: 3.0 pence per share) for the full year ending 30 April 2021 subject to shareholder approval at the Annual General Meeting on 15 September 2021. The final dividend will be paid on 1 October 2021 to shareholders on the register on 17 September 2021.

A special dividend of 50.0 pence per ordinary share will also be paid on 16 July 2021 to shareholders on the register at the close of business on 2 July 2021.

14. INTANGIBLE ASSETS – GROUP AND COMPANY

	Development costs £000
COST	
At 1 May 2020	391
Additions	84
At 30 April 2021	**475**
AMORTISATION	
At 1 May 2020	310
Charge for year	5
At 30 April 2021	**315**
NET BOOK VALUE	
2021	**160**
2020	81

14. INTANGIBLE ASSETS – GROUP AND COMPANY (continued)

	Development costs £000
COST	
At 1 May 2019	315
Additions	76
At 30 April 2020	**391**
AMORTISATION	
At 1 May 2019	305
Charge for year	5
At 30 April 2020	**310**
NET BOOK VALUE	
2020	**81**
2019	10

15. PROPERTY, PLANT AND EQUIPMENT – GROUP AND COMPANY

	Long leasehold £000	*Improvements to property £000*	*Display equipment £000*
COST			
At 1 May 2020	**954**	**26**	**103**
Additions	-	29	-
At 30 April 2021	**954**	**55**	**103**
DEPRECIATION AND IMPAIRMENT			
At 1 May 2020	**14**	**4**	**77**
Charge for the year	4	1	-
At 30 April 2021	**18**	**5**	**77**
NET BOOK VALUE			
2021	**936**	**50**	**26**
2020	**940**	**22**	**26**

	Motor vehicles £000	*Computer equipment £000*	*Total £000*
COST			
At 1 May 2020	**155**	**147**	**1,385**
Additions	-	37	66
At 30 April 2021	**155**	**184**	**1,451**
DEPRECIATION AND IMPAIRMENT			
At 1 May 2020	**71**	**133**	**299**
Charge for the year	21	24	50
At 30 April 2021	**92**	**156**	**348**
NET BOOK VALUE			
2021	**63**	**28**	**1,103**
2020	**84**	**14**	**1,086**

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

	Long leasehold £000	*Improvements to property £000*	*Display equipment £000*	*Fixtures and fittings £000*
COST				
At 1 May 2019	954	26	103	172
Additions	-	-	-	-
Disposals	-	-	-	(172)
At 30 April 2020	**954**	**26**	**103**	**-**
DEPRECIATION AND IMPAIRMENT				
At 1 May 2018	10	3	77	172
Charge for the year	4	1	-	-
Eliminated on disposals	-	-	-	(172)
At 30 April 2020	**14**	**4**	**77**	**-**
NET BOOK VALUE				
2020	**940**	**22**	**26**	**-**
2019	944	23	26	-

	Motor vehicles £000	*Computer equipment £000*	*Total £000*
COST			
At 1 May 2019	155	129	1,539
Additions	-	18	18
Disposals	-	-	(172)
At 30 April 2020	**155**	**147**	**1,385**
DEPRECIATION AND IMPAIRMENT			
At 1 May 2019	43	116	422
Charge for the year	28	17	50
Eliminated on disposals	-	-	(172)
At 30 April 2020	**71**	**133**	**299**
NET BOOK VALUE			
2020	**84**	**14**	**1,086**
2019	113	13	1,117

16. INVESTMENTS

Group

	Unlisted investments *£000*
COST	
At 1 May 2020 and 30 April 2021	70
IMPAIRMENT	
At 1 May 2020 and 30 April 2021	70
NET BOOK VALUE	
At 1 May 2020 and 30 April 2021	-

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

Company

	Shares in group undertakings *£000*	*Unlisted investments* *£000*	*Total* *£000*
COST			
At 1 May 2020 and 30 April 2021	**-**	**70**	**70**
IMPAIRMENT			
At 1 May 2020 and 30 April 2021	-	70	70
NET BOOK VALUE			
At 1 May 2020 and 30 April 2021	-	-	-

Shares in Group undertakings comprise of the following subsidiary company:

Name of company	*Nature of business*	*% holding*	*Country of incorporation*
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

	Group		*Company*	
	2021 ***£000***	*2020* *£000*	***2021*** ***£000***	*2020* *£000*
Trade receivables	**3**	2	**3**	**2**
Other receivables	**37**	309	**37**	**309**
Prepayments and accrued income	**231**	65	**231**	**65**
	271	376	**271**	**376**

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

18. CASH AND CASH EQUIVALENTS – GROUP AND COMPANY

	Group		*Company*	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Bank accounts	**11,812**	5,209	**11,812**	5,209
Cash in hand	**2**	1	**2**	1
	11,814	5,210	**11,814**	5,210

19. CALLED UP SHARE CAPITAL – COMPANY

Allotted, issued and fully paid	***2021***	*2020*	***2021***	*2020*
Ordinary shares of 5 pence each	***Number***	*Number*	***£000***	*£000*
At the start of the year	**9,377,253**	**9,377,253**	**469**	**469**
Shares allotted during the year	**35,648**	**-**	**2**	**-**
Purchased for cancellation in the year	**-**	**-**	**-**	**-**
At the end of the year	**9,412,901**	**9,377,253**	**471**	**469**

35,648 Ordinary shares of £0.05 per share were allotted and issued following the exercise of share options granted in December 2017.

20. TRADE AND OTHER PAYABLES – GROUP AND COMPANY

	Group		*Company*	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Trade creditors	**286**	165	**286**	165
Amounts owed to Group undertakings	**-**	-	**5**	5
Social security and other taxes	**638**	902	**638**	902
Other creditors	**1,709**	1,493	**1,709**	1,494
Contract liability balances	**416**	441	**416**	441
Pension creditor	**4**	3	**4**	3
	3,053	3,004	**3,058**	3,010

21. DEFERRED TAX – GROUP AND COMPANY

	Group		*Company*	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Asset at 1 May	**3**	13	**3**	13
Movement in the year	**(17)**	(10)	**(17)**	(10)
(Liability)/asset at 30 April	**(14)**	3	**(14)**	3

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

22. PROVISIONS – GROUP AND COMPANY

	Group		Company	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
At 1 May	**-**	**360**	**-**	**360**
Utilised during the year	**-**	**(172)**	**-**	**(172)**
Released during the year	**-**	**(188)**	**-**	**(188)**
Asset at 30 April	**-**	**-**	**-**	**-**

The onerous retail site lease was exited in the prior 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:

Grant date	*Outstanding at 1 May 2020*	*Granted*	*Exercised*	*Forfeited*	*Outstanding at 30 April 2021*	*Expiry date*	*Exercise price*
19-12-2017	45,000		(30,648)	(5,000)	9,352	19-12-2027	2.25
28-02-2020	85,000		-	-	85,000	28-02-2030	3.85
19-07-2020	-	10,000	-	-	10,000	19-07-2030	16.00
19-09-2020	-	5,000	-	-	5,000	19-09-2030	18.00

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:

	2021 Number	***2021 WAEP***	*2020 Number*	*2020 WAEP*
Outstanding at the beginning of year	**130,000**	**330.00**	45,000	225.00
Granted during the year	**15,000**	**1666.67**	85,000	385.00
Exercised during the year	**(30,648)**	**225.00**	-	-
Lapsed during the year	**(5,000)**	**225.00**	-	-
Outstanding at the end of the year	**109,352**	**547.00**	130,000	330.00
Exercisable at the end of the year	**9,352**	**225.00**	-	-

The weighted average remaining contractual life of share options outstanding as at 30 April 2021 was 8 years and 8 months (2020: 9 years and 1 month).

No amount has been recognised in these financial statements in respect of share option charges as the amount would be insignificant (2020: £Nil).

24. LEASES – GROUP AND COMPANY

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

	Group		Company	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Expenses related to short term leases	**10**	14	**10**	14

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

25. LEASES – GROUP AND COMPANY (continued)

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

	Group		*Company*	
	2021	*2020*	***2021***	*2020*
	£000	*£000*	***£000***	*£000*
Cash flows from operating activities	**10**	14	**10**	14

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. The Group's financial assets and liabilities are all measured at amortised cost and so no fair value disclosures are required.

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.

	2021	*2020*
	£000	*£000*
Financial assets classified as loans and receivables – carrying amounts:		
Trade receivables	**3**	288
Other receivables	**37**	22
Cash and cash equivalents	**11,415**	5,210
	11,455	5,520

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:

	2021		*2020*	
	£000	***£000***	*£000*	*£000*
Financial liabilities– carrying amounts	**Up to 1 year**	**After 1 year**	Up to 1 year	After 1 year
Trade and other payables	**2,636**	**-**	2,564	-
	2,636		2,564	-