BOTB

WIN YOUR DREAM CAR

Annual Report & Accounts 2022

Annual Report and

Financial Statements

For The Year Ended 30 April 2022

for

BEST OF THE BEST PLC

BEST OF THE BEST PLC

Contents of the Financial Statements
For The Year Ended 30 April 2022

BEST OF THE BEST PLC

Company Information
For The Year Ended 30 April 2022

DIRECTORS:	W S Hindmarch R C E Garton D S P Firth B Hughes D Burns J Bucci
SECRETARY:	Kerin Williams
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REGISTERED NUMBER:	03755182
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BANKERS:	Barclays Bank Plc 93 Baker Street London W1A 4SD
NOMINATED ADVISORS:	finnCap 1 Bartholomew Close London EC1A 7BL
SOLICITORS:	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT

CHIEF EXECUTIVE'S STATEMENT

We have been dedicated to understanding changing customer behaviour in a post-pandemic world, while ensuring that we protect the efficiency and profitability of new player recruitment. Management has also remained sharply focused on shaping the Company for revenues that are lower than during the successive lockdowns in 2020-21, albeit which are still nearly double the levels experienced pre-pandemic, thus delivering a profitable and cash generative set of numbers.

The Company has delivered consistently strong results over recent years and management has been adjusting the various business levers at our disposal, to ensure that where revenues and customer acquisition are settling and normalising post pandemic, the business continues to produce strong profits and cash generation. Whilst this has not been without its challenges, with so many changing elements in the period under review, we are pleased to have produced financial results slightly above expectations that we set out at the time of our interim financial results in January 2022.

We are preparing the Company for a return to steady ongoing growth that, while not at the levels achieved in FY2021, is significantly above the historic levels that we achieved ahead of the conversion of the business from a bricks and mortar retail player to an online only operator. As we embark on the new financial year, we remain confident that BOTB is underpinned by very solid financials, a large and loyal customer base, and a proven business model. There will understandably be continued focus in the short term on both profit and cash generation to support and strengthen our platform, as we then to look to further business development opportunities and growth in due course.

Final Results

Revenue for the year ended 30 April 2022 was £34.68 million (2020: £17.79 million, 2021: £45.68 million) and profit before tax was £5.14 million (2020: £4.21 million, 2021: £14.06 million). Earnings per share were 45.30p (2020: 37.51p, 2021: 122.52p).

BOTB remains highly cash generative and a total of £5.90 million of cash flow was generated from operations during the period. Net assets at 30 April 2022 stood at £8.06 million (2020: £3.30 million, 2021: £8.96 million), underpinned by cash balances of £10.82 million (2020: £5.2 million, 2021: £11.8 million) and our 965-year leasehold office properties valued at £0.95 million. The Group is debt free.

Dividends

In line with its progressive dividend policy, the Board is recommending a final dividend of 6.0p per share (2021: 5.0p, 2020: 3.0p) for the full year ended 30 April 2022 subject to shareholder approval at the Annual General Meeting on 14 September 2022. The final dividend will be paid on 30 September 2022 to shareholders on the register on 16 September 2022.

Strategy, competitions, pricing and partnerships

With a principally fixed cost operating model and high levels of operational gearing, the business is sensitive to changes in revenue and the cost of prizes given away. In order to better shape the business for steady ongoing growth we have recently trialled some changes to the product line-up, re-balancing the three principal weekly competitions, to two enhanced ones.

Our principal competitions are now the Weekly Dream Car and Midweek Lifestyle Competitions, the latter being the result of a recent trial combining our Midweek Car and Lifestyle competitions. Both competitions offer the opportunity to win brand new cars, with the former operating via Spot the Ball and the latter via a suitably skill-based question.

Our flagship Dream Car competition offers a choice of up to 200 models, combined with the ability to add up to £50,000 in cash with your prize. Ticket prices start from just 90p, with our largest individual prizes valued at up to £250,000. Alongside weekly themed 'In the Headlights' promotions we have been trialling the addition of higher value prizes and cash sums, with total cash-included prizes available in excess of £300,000. These have proven popular and have assisted average order values.

With an entry point ticket price costing 50p, the recently introduced Midweek Lifestyle Competition features a more focussed selection of lower value cars, top-end motorbikes, luxury watches, holidays, top technology and cash prizes. In combination with the Dream Car Competition, this gives players the opportunity to win a car twice a week and also addresses the wider non-car market.

During FY2022 we ran multiple trials producing valuable data, including variable pricing structures, boosted cash add-ons and bundled prizes. This data contributes to our weekly schedule of promotions and offers that keep the competitions fresh, interesting and relevant to our customer base.

In an environment where inflationary pressures are well documented we have sought to protect our margins not only through tight cost control, but also by passing on increased car manufacturer RRPs, in the form of slightly increased ticket prices. With our low ticket prices, these increases often amount to only 5p – 10p and customers have been understanding.

Whilst the COVID-19 restrictions in place at the beginning of the financial year significantly curtailed the ability of our presenting team to surprise winners at home or at work, we are now pleased to be fully back on the road filming our winners in person, which has been well received by our players and continues to provide the very engaging content for which BOTB has become so well known. Covid has kept us away from the Goodwood Festival of Speed for the past two years, but we are pleased to be back again this year with a fantastic stand in front of a perfect audience, and where we will be able to engage with many customers, both existing and new.

BOTB now has a customer base of over 1.8 million contactable players, which supports existing competitions and which we believe can also provide us with new revenue opportunities. We have previously identified the potential to introduce new products (other than competitions) to our customers, to leverage our database by building revenues streams from third party advertisers and partners, and to seek additional partnership and possibly white-label opportunities with e.g. football clubs, insurance companies and others. We are pleased to have recently recruited a full time Partnerships Lead to spearhead this effort, and whilst it is still early days, some interesting ideas and leads are starting to develop.

IT development

During the year, we completed a major project to transfer all BOTB's CRM activities to the Emarsys platform, which has allowed us to materially improve our approach and future-proof the technology we use. In short, the new platform has increased efficiency and productivity on a daily basis, allowing quicker construction of communications, more reliable rendering of emails across all clients and devices with a much more detailed interface. It also gives us a single customer view, allowing consolidation of all of our CRM and data into one platform.

We have also been able to retire numerous third-party CRM vendors, making meaningful cost savings. Emarsys' Web Channel has replaced Qubit which now allows us to personalise elements on-site at a 1:1 level, from pop-up ads and site-ribbons to bespoke creative and layouts. We have also retired Litmus, as Emarsys' email rendering and inbox preview tool is more robust, whilst the 3rd party Survey Tools have been replaced by Emarsy's own form and data capture capabilities.

Marketing and CRM

As previously reported, customer acquisition during the financial year has been less efficient than in prior periods, both as a result of Apple's iOS 14 release affecting audience targeting, alongside material increases in CPMs particularly on Meta Group platforms. Despite this, we continue to see a positive ROI when measuring cost per acquisition against the 24-month lifetime value of newly acquired players. We remain focused on optimisation and investment in the most efficient and trackable digital channels, supported by traditional media, to acquire new players and retain existing ones. At the same time, we have continued testing new channels focused on raising brand awareness, allied with the appointment of an agency to improve our SEO.

Alongside this, we have run regular promotions to drive traffic to the website from the significantly larger customer base of players acquired during the pandemic, as well as interacting with them on our social media pages, which continue to grow and now amount to 860,000 followers in total. Much of our CRM and customer service is carried out via daily content updates on our social media accounts, mainly Facebook (420,000 followers) and Instagram (312,000 followers).

As indicated above, our previous CRM platform was email only and everything else was manually implemented via a host of third-party providers, but we are now able to use Emarsys to create customer journeys and interaction points across multiple channels, all from one platform and dataset. Email, rich app push, onsite experience, and retargeting are all now part of the multi-channel CRM journey. Emarsys also has much improved test and optimisation functionality, making it an omnichannel solution that will benefit the business as we continue to grow and leverage the entire technology suite available.

Board Changes

The Board continues to place significant importance on independent corporate governance and as a result David Firth, an existing Independent Non-Executive Director, was appointed Independent Non-Executive Chairman on 1 October 2021. In addition, and as separately announced the Company is pleased to announce the appointment of Joanna (Jo) Bucci as a further Independent Non-Executive Director, who joined the Board on 1 July 2022.

Jo is a commercially astute operator with proven success leading major business transformation and business growth, with extensive experience in sport, gaming, lotteries and media. She was responsible for the UK launch, growth and global brand development of the Peoples Postcode Lottery, the world's second largest privately funded organisation for good causes. In 2019, Jo was appointed General Manager of The Sun Newspaper, where she was responsible for financial performance, as well as setting and implementing brand strategies for long-term multi-platform growth. Further details are set out in the regulatory announcement covering Jo Bucci's appointment.

We are delighted that David has accepted the role of Independent Non-Executive Chairman and that Jo has agreed to join the Board at this exciting time for BOTB. We are confident that their considerable experience will significantly strengthen the Board and the business. Following the appointment of Jo, the Company will have three Executive Directors and three Non-Executive Directors, two of which can be considered independent.

Tender Offer

The Company announced on 16 June 2022 that it intended to return surplus cash to Shareholders by way of a tender offer, pursuant to which finnCap Ltd, the Company's broker, purchased, as principal, approximately 11.11 per cent. of the Company's Ordinary Shares (1 Ordinary Share for every 9 held) at a price of 600 pence per Ordinary Share. These Ordinary Shares were then purchased from finnCap by the Company pursuant to a Repurchase Agreement.

The Company has been cash generative for a number of years and benefits from a strong balance sheet with sufficient distributable cash reserves. Continued profitable trading in recent periods has led to surplus cash on the balance sheet and the Board believes that the Company does not require this level of cash to fund its growth plans in the short term. Following the capital distribution, the Company retains a robust balance sheet, maintaining cash balances in excess of £2.0 million, which the Directors consider to be sufficient working capital to fund its activities over the next 12-month period. As such, the Board deemed it appropriate to return surplus cash to shareholders via the Tender Offer.

In determining the level of return of value, the Board took into consideration its aim of improving the Company's earnings per share, as well as targeting a more efficient capital structure through returning excess balance sheet cash to Shareholders. The Tender Offer resulted in an amount of £6.275 million being paid to Qualifying Shareholders.

Outlook

Emerging out of successive lockdowns and the pandemic era, we have been faced with a very tough comparative financial period. Revenues are, however, running at nearly twice the levels recorded pre-pandemic, when we exited our last physical retail site and completed our successful transformation to a fully online business. We are confident that in the longer term the business is positioned to exceed the traditional growth rates experienced when operations were focused on bricks and mortar retail.

During the period under review, the business traded slightly better than market expectations as updated in January 2022 and, having exhibited the incredible benefits of operational gearing during the financial year ended April 2021, the Board remains fully focused on re-harnessing this opportunity. We will continue to maintain a sharp focus on costs, and prioritising only the most efficient marketing channels, acquiring new customers profitably, through product development, by managing competition frequency and margins, and by seeking additional revenue streams especially through partnerships.

We remain a profitable, cash generative business with no debt and a large and loyal customer base that remains engaged. Whilst we recognise that the wider economic environment remains somewhat uncertain, which is evident in our short-term outlook, we look to the medium and long term with confidence as we push towards a return to steady growth. Trading for the new financial year has started in line with management expectations and we 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 compared to the prior year.

2. Marketing efficiency calculated using the 24-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 are that management has in place to mitigate the risk exposure and makes 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 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 endeavours 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 continues to seek appropriate legal advice to ensure they comply with all relevant legislation and licensing.

S172 STATEMENT

Under Section 172(1) of the Companies Act 2006, a director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequence of any decision in the long-term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct – the need to act fairly as between members of the company.

The following disclosure describes how the Directors have had regard to the matters set out in Section 172(1)(a) to (f) and forms the Directors' statement under section 414CZA of The Companies Act 2006.

The Directors consider, both individually and collectively, that we have acted in the way we consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in section 172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 30 April 2022. We set out below how we have considered these matters in our decision making:

– *The Long Term* – The Board is always mindful of the long-term and the consequence of any decision on this time frame. Our strategy has evolved since inception in 2000, when we leased physical sites in locations such as airports and shopping centres, towards a sustainable online business model. This has progressed through continual trials in previous years and consideration of the year-on-year increases in costs at physical sites and hence the sustainability of a physical model in the long term, whilst such costs continue to rise. This approach has yielded 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.

– *Employees* – The commitment of our employees to our purpose and values is key to the Company's success. The Directors and senior management strive to provide an entrepreneurial culture for our employees, whilst encouraging the ethical pursuit of opportunities to expand our product offerings. We have a small workforce which enables us to foster a collaborative and encouraging work environment. Executive Directors and staff all work together as a small team. For the benefit of staff since COVID-19 restrictions were lifted, a hybrid format of working has been adopted with employees predominantly returning to office-based working, alongside increased flexibility and some working from home.

– *Business Relationships* – The Board is committed to fostering the Company's business relationships. The Company is a customer facing and customer focused organisation, seeking to deliver an excellent experience to everyone we serve. We continuously engage with our customers in a multitude of ways and actively seek independent third-party feedback to understand our customers' needs and deliver an excellent service. This feedback also informs our decisions on product development.

– *High standards of business conduct* – Responsibility for setting the values and standards of the Company sits with the Board and the Board expects high standards of business conduct. We strive to maintain the highest standards of integrity and transparency in the operation of our competitions and whilst interacting with our customers.

– *Community and Environment* – We are mindful of the communities in which our customers live, as well as external factors and events, such as COVID-19 that can impact these communities. Considering such events and other challenges within our communities informs our charitable giving and we support a range of charities. As an online business with a very small physical presence, our impact on the environment is very limited. However, we encourage environmentally friendly office practices, essential-only travel and the promotion of electric vehicles in our competitions.

– *Shareholders* – We strive to obtain investor support of our strategic objectives and how we execute them in order to create long-term value for our shareholders by generating sustainable results that translate into dividends. The Chief Executive engages with investors, fund managers, the press and other interested parties. Following the announcement of the interim and full year results, investor roadshows are carried out and at the Annual General Meeting private investors are given the opportunity to question the Board.

ON BEHALF OF THE BOARD

....
William Hindmarch
Chief Executive
1 August 2022

BEST OF THE BEST PLC

Corporate Governance Report
For The Year Ended 30 April 2022

CHAIRMAN'S STATEMENT

Dear Shareholder,

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

The Principles of Corporate Governance

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

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

Delivering Growth

The Board has collective responsibility for setting the strategic aims and objectives of the Group. These aims are articulated in the Chief Executive Officer's Group Strategic Report on pages 2 to 8. In the course of implementing these strategic aims, the Board takes into account the expectations of the Company's shareholder base and also its wider stakeholder and social responsibilities.

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

Risk Management

The Board has overall responsibility for the effective management of all risks to which the Company is exposed. Details of the Board's approach to risk management are set out on pages 5 and 6.

Maintaining a Dynamic Management Framework

As Chairman, I consider both the operation of the Board as a whole and the performance of individual Directors regularly. As we have recently appointed further directors to the Board, we will consider a Board Evaluation later in the year when the Board has had an opportunity to work together for a longer period. Thereafter we intend to follow a programme of Board evaluations every three years.

Building Trust

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

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

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

During the year, BOTB has undertaken a number of investor relations activities to support our shareholders. These include various investor roadshows in combination with the publishing of our bi-annual financial results. Investors are also actively encouraged to attend our AGM and our Board sees this as an important event in the annual calendar to meet with and talk to shareholders and other stakeholders. The Board intends that the AGM in September will be an in-person meeting now that COVID-19 restrictions have lifted.

Throughout the year, the Board has continued to review governance and the Group's corporate governance framework. We have again reviewed our governance against the QCA Code in June 2022 and will continue to do so annually as required by AIM Rule 26.

David Firth
Non-Executive Chairman
1 August 2022

BOARD STRUCTURE AND OPERATION

The Board consists of six Directors – David Firth, the Non-executive Chairman, William Hindmarch, the Chief Executive of the Group, Rupert Garton, an Executive Director, Ben Hughes, an Executive Director, Daniel Burns, a Non-Executive Director and, since 1 July 2022, Joanne Bucci, an Independent Non-Executive Director. Michael Hindmarch, who served as Chairman since the Company's IPO, stepped down from the Board on 30 September 2021. The Board is grateful for Michael's service to the Company and guidance over the years. William Hindmarch, Rupert Garton and Ben Hughes are heavily involved in the day to day running of the Group. It is considered that this Board composition gives the necessary mix of industry specific and broad business experience necessary for the effective governance of the Group.

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

The Board is responsible to shareholders for the proper management of the Group. A Statement of Directors' Responsibilities in respect of the financial statements is set out on page 20. The Non-Executive Directors have a particular responsibility to ensure that the strategies proposed by the Executive Directors are fully considered. To enable the Board to discharge its duties, all of the Directors have full and timely access to all relevant information. The Board is supported in its work by Board Committees, which are responsible for a variety of tasks delegated by the Board.

All Directors have access to the Company Secretary. The role of Company Secretary is fulfilled by Kerin Williams, an experienced Company Secretary with over 25 years of listed company secretarial experience.

All of the Directors will be submitting themselves for re-election at the Annual General Meeting. The Non-Executive Directors are appointed under fixed term contracts of no more than one year. A brief biography for each Director is set out below.

William Hindmarch, age 48 *– Chief Executive*

William graduated from the University of Durham in 1996 and joined Kleinwort Benson as a graduate trainee. He founded the business in 1999 and has been Chief Executive for 20 years.

Rupert Garton, age 47 *– Commercial Director*

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

David Firth, age 61 *– Non-Executive Chairman*

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

Ben Hughes, age 46 *– Marketing Director*

Ben graduated from Durham University in 1998 and spent two years at an advertising agency before moving to the marketing department at News International, where he worked on a variety of print and digital brands over a nine-year period. Latterly, he was Head of Marketing (Digital) for News Group Media. Ben joined BOTB as Marketing Director in 2010.

Daniel Burns, age 51 *– Non-Executive Director*

Daniel graduated from the University of Cambridge in 1992. He is an experienced corporate financier in the gaming, competitions, lottery and media sectors with over 20 years of advisory experience covering both public and private companies. Daniel is Managing Partner at Oakvale Capital LLP ("Oakvale"), 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.

Joanne Bucci, age 53 *– Independent Non-Executive Director*

Joanne was Managing Director of the People's Postcode Lottery for eleven years. She oversaw the launch of this into Scotland in 2008 and the subsequent expansion into England and Wales. Joanne's other roles have included General Manager at The Sun newspaper, where she was responsible for the financial performance and implementing brand strategy for multi-platform growth. She was also Chief Operating officer of Wireless Group, the owner of Virgin Radio, Talkradio and Talksport.

Training and Development

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

Time Commitment

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

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

Board Evaluation

We have not carried out a Board Evaluation this year but plan to complete one during 2022. We will then follow a programme of a Board Evaluation every three years. In the meantime, we are a small Board and openly discuss performance and effectiveness against strategy.

AUDIT COMMITTEE REPORT

The Audit Committee comprises David Firth and Daniel Burns. The Chairman of the Committee, David Firth, has extensive financial experience and is a Chartered Accountant. The Audit Committee meets as often as it deems necessary but, in any case, at least twice a year. These meetings are scheduled at appropriate intervals in the reporting and audit cycle.

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

Duties

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

– To monitor the integrity of the financial statements of the Company, including its annual and interim reports;

– To review and challenge where necessary the consistency of and any changes to accounting policies, the methods used to account for significant or unusual transactions and whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor, and all material information presented with the financial statements;

– To keep under review the effectiveness of the Company's internal control and risk management systems and to review and approve the statements to be included in the Annual Report concerning internal controls and risk management;

- To regularly review the need for an internal audit function;
- To consider and make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, in relation to the appointment, reappointment and removal of the Company's external auditor;
- To oversee the relationship with the external auditor including approval of their remuneration, approval of their terms of engagement, annual assessment of their independence and objectivity, taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;
- To meet regularly with the external auditor and at least once a year, without management present to discuss any issues arising from the audit;
- To review and approve the Audit Plan and review the findings of the audit.

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

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

Role of the external auditor

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

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

Audit process

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

Internal audit

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

David Firth
Chairman of the Audit Committee
1 August 2022

REMUNERATION COMMITTEE

The Remuneration Committee, comprising of David Firth (Chairman of the Committee) and Daniel Burns, is responsible for making recommendations to the Board on the Group's framework of executive remuneration and its cost. The Committee determines the contract terms, remuneration and other benefits for each of the Executive Directors. The Board itself determines the remuneration of the Non-Executive Directors. The Report of the Remuneration Committee is set out on pages 16 and 17.

BOARD MEETING ATTENDANCE

Directors' attendance at scheduled Board meetings is shown below:

	Number of Board meetings attended
William Hindmarch	5/5
Rupert Garton	5/5
David Firth	5/5
Daniel Burns	5/5
Ben Hughes	5/5

Further ad hoc Board meetings were held during the year. Joanne Bucci was only appointed on 1 July 2022, and therefore did not attend any Board Meetings during the year.

INTERNAL FINANCIAL CONTROL

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

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

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

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

RELATIONS WITH SHAREHOLDERS

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

This year's Annual General Meeting will be held on 14 September 2022. Notice of the Annual General Meeting is set out at the back of this document. The Board hopes that it can welcome shareholders to an in-person AGM. The Company will keep the situation under review and update shareholders via the Company website should there be any changes to the arrangements.

BEST OF THE BEST PLC

Report of the Remuneration Committee
For The Year Ended 30 April 2022

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

REMUNERATION COMMITTEE

The members of the Committee are David Firth (Chairman of the Committee) and Daniel Burns. Details of the remuneration of each Director are set out below. No Director plays a part in any discussion about their own remuneration.

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

REMUNERATION POLICY

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

As at 30 April 2022, Ben Hughes held options in the Company. Details of the options can be found on page 18 and in Note 21.

PENSION ARRANGEMENTS

During the year, the Company provided £12,000 (2021: £8,359) in respect of the Executive Director pension payments. At the year end, £Nil (2021: £Nil) was outstanding and owing to the scheme.

DIRECTORS' CONTRACTS

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

NON-EXECUTIVE DIRECTORS

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

BEST OF THE BEST PLC

Report of the Remuneration Committee (continued)
For The Year Ended 30 April 2022

DIRECTORS' REMUNERATION

Director	*Benefits in kind* £	*Salary* £	*Bonus* £	*Pension* £	*Fees paid to third parties* £	*30 April 2022 Total* £	*30 April 2021 Total* £
Rupert Garton	15,164	180,000	–	4,000	–	199,164	266,645
William Hindmarch	32,961	180,000	–	4,000	–	216,961	266,903
Ben Hughes[1]	5,852	180,000	153,398	4,000	–	343,250	39,119
Michael Hindmarch[2]	–	–	–	–	8,333	8,333	20,000
David Firth	–	31,667	–	–	–	31,667	20,000
Daniel Burns[3]	–	20,000	–	–	–	20,000	2,205

1. Ben Hughes was appointed to the Board on 23 March 2021
2. M Hindmarch stepped down from the Board on 30 September 2021
3. Daniel Burns was appointed to the Board on 23 March 2021

APPROVAL

The report was approved by the Board of Directors and authorised for issue on 1 August 2022 and signed on its behalf by:

....
David Firth
Chairman of the Remuneration Committee
1 August 2022

BEST OF THE BEST PLC

Report of the Directors
For The Year Ended 30 April 2022

The Directors of Best of the Best PLC present their report for the year ended 30 April 2022. Particulars of important events affecting the Company and likely future developments may be found in the Strategic Report on pages 2 to 8.

DIRECTORS

The Directors during the year and summaries of their experience are set out on page 11. The Directors who held office during the year and their beneficial interest in the share capital of the Company at 30 April 2022 were as follows:

	27 July 2022[2]	*30 April 2022*	*30 April 2021*[3]
William Hindmarch[1]	2,682,301	3,017,588	3,017,588
Rupert Garton	758,393	887,250	887,250
Ben Hughes	39,815	44,791	44,791
Daniel Burns	18,519	20,833	20,833
David Firth	4,110	4,623	4,623

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

2 Nearest practicable date to signing the accounts following the Tender offer

3 Or date of appointment if later than 30 April 2021

The following options were held by Directors during the year:

	Outstanding at beginning of year	*Granted*	*Exercised*	*Outstanding at 30 April 2022*	*Exercise price*	*Date first exercisable*	*Date of expiry*
Ben Hughes (EMI)	9,352	–		9,352	£2.25	19/12/2000	19/12/2027
Ben Hughes (EMI)	41,500	–		41,500	£3.85	28/02/2023	28/02/2030
Ben Hughes (Unapproved)	28,500	–		28,500	£3.85	28/02/2023	28/02/2030

At 30 April 2022 the market price of the Group's shares was £4.15. The maximum share price during the period was £32.00 and the minimum price was £3.79.

DIVIDENDS

Details of dividends paid during the year and declared as at the date of this report are set out in the Strategic Report on pages 2 to 8 and in Note 12.

SHARE CAPITAL

Details of the Company's share capital are set out in Note 18. The Company's share capital consists of one class of ordinary share, which does not carry rights to fixed income. As at 30 April 2022, there were 9,412,901 Ordinary shares of 5p each in issue. Ordinary shareholders are entitled to receive notice and to attend and speak at general meetings. Each shareholder present in person or by proxy (or by duly authorised corporate representatives) has, on a show of hands, one vote. On a poll, each shareholder present in person or by proxy has one vote for each share held.

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

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

At a general meeting on 4 July 2022, subject to a circular dated 16 June 2022, shareholders approved a proposed tender offer by finnCap Ltd to purchase Ordinary Shares in the Company up to approximately 11.11% of the issued share capital at a price of 600 pence per share. Further to a repurchase agreement between the Company and finnCap Ltd, the Company exercised the call option and re-purchased and subsequently cancelled 1,045,877 Ordinary Shares at a price of 600 pence per share. Following the cancellation of the Ordinary Shares as at 8 July 2022 the issued share capital of the Company was 8,367,024.

AUTHORITY TO PURCHASE OWN SHARES

At the 2021 Annual General Meeting, the Company was authorised by shareholders to purchase up to 941,290 of its own shares, representing approximately 10 percent. of the total issued share capital. This authority will expire at the forthcoming Annual General Meeting and a resolution to renew the authority for a further year will be sought.

SUBSTANTIAL SHAREHOLDERS

As at 27 July 2022, the Company had been advised of the following notifiable interests (whether directly or indirectly held) in its voting rights (other than the Directors' interests, already disclosed).

Name	*Shareholding*	*Percentage*
Slater Investments	762,963	9.12
Stancroft Trust Limited	645,995	7.72
M Hindmarch	530,038	6.33
Canaccord Genuity Wealth Management	353,645	4.23
Chelverton Asset Management	424,686	5.08

POLITICAL CONTRIBUTIONS

The Company has made no political contributions during the year (2021: £Nil).

CHARITABLE DONATIONS

Charitable donations during the year amounted to £3,000 (2021: £3,533).

ENERGY AND CARBON REPORT

As the Group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

DISCLOSURE IN THE STRATEGIC REPORT

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

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

BEST OF THE BEST PLC

Report of the Directors (continued)
For The Year Ended 30 April 2022

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 ("IFRS") as adopted by the United Kingdom (UK). 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 whether applicable UK adopted IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

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

ON BEHALF OF THE BOARD

....
W S Hindmarch
Director
1 August 2022

BEST OF THE BEST PLC

Report of the Independent Auditor
For The Year Ended 30 April 2022

Opinion

We have audited the financial statements of Best of the Best PLC (the 'Parent Company') and its subsidiary (the 'Group') for the year ended 30 April 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the United Kingdom (UK), in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 April 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted IFRSs in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included assessing the level of funding available to the Group taking into account cash resources at the balance sheet date, distributions to shareholders and also examined and challenged the forecasts prepared by management. We considered sensitivities over the level of available financial resources indicated by the Group's forecast taking account of reasonably plausible, but not unrealistic, adverse effects that could arise from these risks individually and collectively. We also assessed the completeness and accuracy of the matters covered in the going concern disclosure in the light of conclusions reached in these procedures.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

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

Matter	*How we addressed the matter in our audit*
The revenue cycle includes fraudulent transactions	
Under ISA 240, there is a presumed risk that revenue may be misstated due to improper revenue recognition.	We substantively tested a sample of entries to the revenue accounts to ensure that improper entries are not being recorded in those revenue accounts. Our testing of revenue also included performing cut-off procedures to ensure that revenue is recognised in the correct accounting period. Based on these procedures, we concluded that no improper entries had been made to the revenue accounts.
Management override of controls	
Under ISA 240, there is a risk of fraud due to management override of internal controls to manipulate financial reporting present in all entities. We also identified specific account balances and transactions during our planning which are calculated by reference to management's judgements and estimates and which we therefore concluded require specific consideration.	We reviewed those parts of the financial statements which may be more susceptible to management override of internal controls. Where we identified account balances and transactions which required a significant degree of management judgement and estimation, we critically reviewed those balances and transactions to understand if the judgements and estimates made by management appeared reasonable. In so doing the engagement team relied on its own judgement, based on evidence and our audit procedures, in concluding that no management override of internal controls had taken place.

Our application of materiality

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

Measure	*Group*
Financial statements as a whole	£346,000 (2021: £456,000), which was calculated by reference to the Company's profit before tax.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality
Specific materiality	We determined a lower level of materiality for certain specific areas, such as directors' remuneration and related party transactions.
Communication of misstatements to the Audit Committee	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £17,000 (2021: £22,000).

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

An overview of the scope of our audit

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

All audit work required for the purpose of forming an opinion on the Parent Company's and the Group's financial statements was undertaken by the Group engagement team. The Parent Company had one wholly owned subsidiary company throughout the year. The subsidiary company is considered to be insignificant to the Group results or financial position and a limited review was therefore undertaken by the Group engagement team for the purpose of the audit of the group financial statements.

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

– the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and

– the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirement.

Matters on which we are required to report by exception

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

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

– adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

– the Parent Company financial statements are not in agreement with the accounting records and returns; or

– certain disclosures of Directors' remuneration specified by law are not made; or

– we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 20, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Use of our Report

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

Azets Audit Services

Ian Jefferson (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants and Statutory Auditor
1 August 2022

2nd Floor, Regis House
45 King William Street
London EC4R 9AN

BEST OF THE BEST PLC

Consolidated Statement of Comprehensive Income
For The Year Ended 30 April 2022

	Notes	*2022* *£000*	*2021* *£000*
CONTINUING OPERATIONS			
Revenue		34,682	45,681
Cost of sales		(15,272)	(17,410)
GROSS PROFIT		19,410	28,271
Administrative expenses		(14,271)	(14,209)
OPERATING PROFIT		5,139	14,062
Finance income	7	2	1
PROFIT BEFORE INCOME TAX	8	5,141	14,063
Income tax	9	(877)	(2,569)
PROFIT FOR THE YEAR		4,264	11,494
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		4,264	11,494
Profit attributable to:			
Owners of the parent		4,264	11,494
Total comprehensive income attributable to:			
Owners of the parent		4,264	11,494
Earnings per share expressed in pence per share			
Basic from continuing operations	11	45.30	122.52
Diluted from continuing operations	11	44.37	121.82

The notes form part of these financial statements

BEST OF THE BEST PLC

Consolidated Statement of Financial Position
As at 30 April 2022

	Notes	*2022* *£000*	*2021* *£000*
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	13	107	160
Property, plant and equipment	14	1,075	1,103
Investments	15	–	–
		1,182	1,263
CURRENT ASSETS			
Trade and other receivables	16	184	271
Cash and cash equivalents	17	10,818	11,814
		11,002	12,085
TOTAL ASSETS		12,184	13,348
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	471	471
Share premium		277	277
Capital redemption reserve		236	236
Foreign exchange reserve		35	27
Retained earnings		7,041	7,953
TOTAL EQUITY		8,060	8,964
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	19	3,625	3,053
Tax payable		475	1,317
Deferred tax	20	24	14
TOTAL LIABILITIES		4,124	4,384
TOTAL EQUITY AND LIABILITIES		12,184	13,348

The financial statements were approved by the Board of Directors on 1 August 2022 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 2022

	Notes	*2022*	*2021*
		£000	*£000*
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	13	107	160
Property, plant and equipment	14	1,075	1,103
Investments	15	–	–
		1,182	1,263
CURRENT ASSETS			
Trade and other receivables	16	184	271
Cash and cash equivalents	17	10,818	11,814
		11,002	12,085
TOTAL ASSETS		12,184	13,348
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	471	471
Share premium		277	277
Capital redemption reserve		236	236
Retained earnings		7,076	7,975
TOTAL EQUITY		8,060	8,959
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	19	3,625	3,058
Tax payable		475	1,317
Deferred tax	20	24	14
TOTAL LIABILITIES		4,124	4,389
TOTAL EQUITY AND LIABILITIES		12,184	13,348

The financial statements were approved by the Board of Directors on 1 August 2022 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 2022

	Called up share capital £000	*Share premium £000*	*Capital redemption reserve £000*
Balance at 1 May 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
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 2022	471	277	236

The notes form part of these financial statements

BEST OF THE BEST PLC

Consolidated Statement of Changes in Equity (continued)
For The Year Ended 30 April 2022

	Foreign exchange reserve £000	*Retained earnings £000*	*Total £000*
Balance at 1 May 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
Dividends paid	–	(5,177)	(5,177)
Transactions with owners	–	(5,177)	(5,177)
Profit for the year	–	4,264	4,264
Other comprehensive income			
Exchange differences arising on translating foreign operations	8	1	9
Total comprehensive income	8	4,265	4,272
Balance at 30 April 2022	35	7,041	8,060

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 2022

	Called up share capital £000	*Share premium £000*	*Capital redemption reserve £000*
Balance at 1 May 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
Dividends paid	–	–	–
Transactions with owners	–	–	–
Profit for the year	–	–	–
Total comprehensive income	–	–	–
Balance at 30 April 2022	471	277	236

	Retained earnings £000	*Total £000*
Balance at 1 May 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
Dividends paid	(5,177)	(5,177)
Transactions with owners	(5,177)	(5,177)
Profit for the year	4,270	4,270
Foreign exchange movement	8	8
Total comprehensive income	4,278	4,278
Balance at 30 April 2022	7,076	8,060

The notes form part of these financial statements

BEST OF THE BEST PLC

Consolidated Statement of Cash Flows
For The Year Ended 30 April 2022

	Notes	*2022*	*2021*
		£000	*£000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		5,904	14,270
Tax paid		(1,707)	(1,686)
Net cash from operating activities		4,197	12,584
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		–	(84)
Purchase of property, plant and equipment		(18)	(67)
Interest received		2	1
Net cash from investing activities		(16)	(150)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue		–	80
Equity dividends paid		(5,177)	(5,910)
Net cash from financing activities		(5,177)	(5,830)
Increase in cash and cash equivalents		(996)	6,604
Cash and cash equivalents at beginning of year		11,814	5,210
Cash and cash equivalents at end of year	17	10,818	11,814

RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2022	*2021*
	£000	*£000*
Profit before income tax	5,141	14,063
Depreciation charges	46	50
Amortisation charges	53	5
Exchange differences	8	–
Finance income	(2)	(1)
	5,246	14,117
Decrease/(increase) in trade and other receivables	86	105
Increase in trade and other payables	572	48
Cash generated from operations	5,904	14,270

The notes form part of these financial statements

BEST OF THE BEST PLC

Company Statement of Cash Flows
For The Year Ended 30 April 2022

	Notes	*2022* *£000*	*2021* *£000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		5,904	14,270
Tax paid		(1,707)	(1,686)
Net cash from operating activities		4,197	12,584
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		–	(84)
Purchase of property, plant and equipment		(18)	(67)
Interest received		2	1
Net cash from investing activities		(16)	(150)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue		–	80
Equity dividends paid		(5,177)	(5,910)
Net cash from financing activities		(5,177)	(5,830)
Increase in cash and cash equivalents		(996)	6,604
Cash and cash equivalents at beginning of year		11,814	5,210
Cash and cash equivalents at end of year	17	10,818	11,814

RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2022 *£000*	*2021* *£000*
Profit before income tax	5,145	14,063
Depreciation charges	46	50
Amortisation charges	53	5
Exchange differences	8	–
Finance income	(2)	(1)
	5,250	14,117
Decrease/(increase) in trade and other receivables	86	105
Increase in trade and other payables	568	48
Cash generated from operations	5,904	14,270

The notes form part of these financial statements

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 as adopted by the United Kingdom, 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*

At the date of authorisation of these financial statements, the Company has not early adopted the following amendments to Standards and Interpretations that have been issued but are not yet effective:

Standard or Interpretation	*Effective for annual periods commencing on or after*
Narrow scope amendments to IFRS 3, IAS 16 and IAS 37	1 January 2022
Annual improvements to IFRS Standards 2018–2020	1 January 2022
Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction.	1 January 2023

As yet, none of these have been endorsed for use in the United Kingdom (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.

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 *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.

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

2.11 *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. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

2.14 *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*

At year end the Group has no leases within the scope of IFRS16. 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 no 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 £31,422,000 (2021: £41,499,000) whilst sales from non-UK activities totalled £3,260,000 (2021: £4,182,000).

6. EMPLOYEES AND DIRECTORS

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	£000	*£000*	*£000*	*£000*
Wages and salaries	2,267	1,941	2,267	1,941
Social security costs	262	241	262	241
Other pension costs	22	16	22	16
	2,551	2,198	2,551	2,198

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

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	Number	*Number*	*Number*	*Number*
Sales	9	9	9	9
Administration	9	10	9	10
Management	4	2	4	2
	22	21	22	21

6. EMPLOYEES AND DIRECTORS (CONTINUED)

	2022	*2021*
	£000	*£000*
Directors' remuneration	819	613

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

	2022	*2021*
	Number	*Number*
Money purchase schemes	3	3

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:

	2022	*2021*
	£000	*£000*
Emoluments	338	277

7. FINANCE INCOME

	2022	*2021*
	£000	*£000*
Finance income:		
Deposit account interest	2	1

8. PROFIT BEFORE INCOME TAX

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

	2022	*2021*
	£000	*£000*
Depreciation and impairment of property, plant and equipment	46	50
Amortisation of intangible assets	53	5
Foreign exchange losses	8	1
Auditor's remuneration		
– Audit fees	40	36
– Taxation services	3	3
– Other	10	18

Research and development costs recognised as an expense amounted to £504,000 (2021: 524,000).

9. INCOME TAX

Analysis of tax expense

	2022 *£000*	*2021* *£000*
Current tax:		
Current year charge	865	2,552
Total current tax	865	2,552
Deferred tax:		
Origination and reversal of temporary timing differences	12	17
Total deferred tax	12	17
Total tax charge for the year	877	2,569

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:

	2022 *£000*	*2021* *£000*
Profit on ordinary activities before income tax	5,141	14,063
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	977	2,672
Effects of:		
Other timing differences	24	(1)
Research and development enhanced deduction	(124)	(102)
Tax expense	877	2,569

10. 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 £4,270,000 (2021: £11,494,000).

11. 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.

	2022 *£000*	*2021* *£000*
Profit for the year and basic and diluted earnings attributable to the owners of the parent – £000	4,264	11,494
Weighted average number of ordinary shares – number	9,412,901	9,381,253
Basic earnings per share – pence	45.30p	122.52p
Adjusted weighted average number of ordinary shares – number	9,532,901	9,435,186
Diluted earnings per share – pence	44.37p	121.82p

12. DIVIDENDS

A final dividend of 5.0 pence per ordinary share for the full year ending 30 April 2021 was paid on 1 October 2021 to shareholders on the register at 17 September 2021.

A Special Dividend of 50.0 pence per ordinary share was paid on 16 July 2021 to shareholders on the register at the close of business on 1 July 2021.

The Board is recommending a final dividend of 6.0 pence per share (2021: 5.0 pence per share) for the full year ending 30 April 2022 subject to shareholder approval at the Annual General Meeting on 14 September 2022. The final dividend will be paid on 30 September 2022 to shareholders on the register on 16 September 2022.

13. INTANGIBLE ASSETS – GROUP AND COMPANY

	Development costs *£000*
COST	
At 1 May 2021	475
At 30 April 2022	475
AMORTISATION	
At 1 May 2021	315
Charge for year	53
At 30 April 2022	368
NET BOOK VALUE	
2022	107
2021	160

13. INTANGIBLE ASSETS – GROUP AND COMPANY (CONTINUED)

	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. PROPERTY, PLANT AND EQUIPMENT – GROUP AND COMPANY

	Long leasehold	*Improvements to property*	*Display equipment*
	£000	*£000*	*£000*
COST			
At 1 May 2021	954	55	103
At 30 April 2022	954	55	103
DEPRECIATION AND IMPAIRMENT			
At 1 May 2021	18	5	77
Charge for the year	4	–	–
At 30 April 2022	22	5	77
NET BOOK VALUE			
2022	932	50	26
2021	936	50	26

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

	Motor vehicles £000	*Computer equipment £000*	*Total £000*
COST			
At 1 May 2021	155	184	1,451
Additions	–	18	18
At 30 April 2022	155	202	1,469
DEPRECIATION AND IMPAIRMENT			
At 1 May 2021	92	156	348
Charge for the year	16	26	46
At 30 April 2022	108	182	394
NET BOOK VALUE			
2022	47	20	1,075
2021	63	28	1,103

	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

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

	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	132	298
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. INVESTMENTS

Group

	Unlisted investments £000
COST	
At 1 May 2021 and 30 April 2022	70
IMPAIRMENT	
At 1 May 2021 and 30 April 2022	70
NET BOOK VALUE	
2021 and 2022	–

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 2021 and 30 April 2022	–	70	70
IMPAIRMENT			
At 1 May 2021 and 30 April 2022	–	70	70
NET BOOK VALUE			
2021 and 2022	–	–	–

15. INVESTMENTS (CONTINUED)

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

16. TRADE AND OTHER RECEIVABLES – GROUP AND COMPANY

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	£000	*£000*	*£000*	*£000*
Trade receivables	13	3	13	3
Other receivables	46	37	46	37
Prepayments and accrued income	125	231	125	231
	184	271	184	271

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

17. CASH AND CASH EQUIVALENTS – GROUP AND COMPANY

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	£000	*£000*	*£000*	*£000*
Bank accounts	10,817	11,812	10,817	11,812
Cash in hand	1	2	1	2
	10,818	11,814	10,818	11,814

18. CALLED UP SHARE CAPITAL – COMPANY

Allotted, issued and fully paid

	2022	*2021*	*2022*	*2021*
Ordinary shares of 5 pence each	*Number*	*Number*	*£000*	*£000*
At the start of the year	9,412,901	9,377,253	471	469
Shares allotted during the year	–	35,648	–	2
At the end of the year	9,412,901	9,412,901	471	471

19. TRADE AND OTHER PAYABLES – GROUP AND COMPANY

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	£000	*£000*	*£000*	*£000*
Trade creditors	309	286	309	286
Amounts owed to Group undertakings	–	–	–	5
Social security and other taxes	978	638	978	638
Other creditors	2,456	1,709	2,456	1,709
Contract liability balances	353	416	353	416
Pension creditor	4	4	4	4
	4,100	3,053	4,100	3,058

20. DEFERRED TAX – GROUP AND COMPANY

	Group		*Company*	
	2022	*2021*	*2022*	*2021*
	£000	*£000*	*£000*	*£000*
(Liability)/Asset at 1 May	(14)	3	(14)	3
Movement in the year	(10)	(17)	(10)	(17)
Liability at 30 April	(24)	(14)	(24)	(14)

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.

21. SHARE BASED PAYMENT – GROUP AND COMPANY

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

Grant date	*Outstanding at 1 May 2021*	*Granted*	*Exercised*	*Forfeited*	*Outstanding at 30 April 2022*	*Expiry date*	*Exercise price*
19-12-2017	9,352	–	–	–	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
23-11-2021	–	84,000	–	–	84,000	23-11-2031	7.10

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.

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

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

	2022 Number	*2022 WAEP*	*2021 Number*	*2021 WAEP*
Outstanding at the beginning of year	109,352	547.00	130,000	330.00
Granted during the year	84,000	710.00	15,000	1666.67
Exercised during the year	–	–	(30,648)	225.00
Lapsed during the year	–	–	(5,000)	225.00
Outstanding at the end of the year	193,352	617.00	109,352	547.00
Exercisable at the end of the year	9,352	225.00	9,352	225.00

The weighted average remaining contractual life of share options outstanding as at 30 April 2022 was 8 years and 4 months (2021: 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 (2021: £Nil).

22. LEASES – GROUP AND COMPANY

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

	Group		*Company*	
	2022 £000	*2021 £000*	*2022 £000*	*2021 £000*
Expenses related to short term leases	–	10	–	10

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

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

	Group		*Company*	
	2022 £000	*2021 £000*	*2022 £000*	*2021 £000*
Cash flows from operating activities	–	10	–	10

23. 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.

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

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.

	2022	*2021*
	£000	*£000*
Financial assets classified as loans and receivables – carrying amounts:		
Trade receivables	13	3
Other receivables	171	37
Cash and cash equivalents	10,818	11,415
	11,002	11,455

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:

	2022	*2021*
	£000	*£000*
	Up to 1 year	*Up to 1 year*
Financial liabilities – carrying amounts		
Trade and other payables	3,747	2,636
	3,747	2,636

24. RELATED PARTY DISCLOSURES

M W Hindmarch is considered to be a related party as former Non-Executive Director of the Company. During the year ended 30 April 2022, payments were made to him totalling £20,000 (2021: £18,000) in respect of consultancy services provided. The total amount due to M W Hindmarch at 30 April 2022 was £3,334 (2021: £1,667).

Daniel Burns is also considered to be a related party as a Non-Executive Director of the Company and also a Director of Oakvale Capital Advisory Ltd. During the year ended 30 April 2022, payments were made to Oakvale Capital Advisory Limited of £90,000 (2021: £35,000) in respect of consultancy services provided. There is an ongoing commitment for future retained services to be provided, at a rate of £7,500 per calendar month. There were no amounts due to Oakvale Capital Advisory Limited at 30 April 2022 (2021: £nil).

25. ULTIMATE CONTROLLING PARTY

There was no ultimate controlling party at the year-end.

BEST OF THE BEST PLC

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Best of the Best PLC (the "Company") will be held at 2 Plato Place, 72/74 St. Dionis Road, London, SW6 4TU on Wednesday 14 September 2022 at 12.00 noon (the "Meeting") for the following purposes:

ORDINARY BUSINESS

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

1. To receive the Company's financial statements together with the reports thereon of the Directors and auditor for the year ended 30 April 2022.
2. To declare a final dividend of 6 pence per ordinary share for the year ended 30 April 2022.
3. To elect Joanne Bucci as a Director of the Company.
4. To re-elect David Firth as a Director of the Company.
5. To re-elect William Hindmarch as a Director of the Company.
6. To re-elect Rupert Garton as a Director of the Company.
7. To re-elect Ben Hughes as a Director of the Company.
8. To re-elect Daniel Burns as a Director of the Company.
9. To re-appoint the auditor, Azets Audit Services, as auditor of the Company until the conclusion of the next Annual General Meeting.
10. To authorise the Audit Committee to set the auditor's remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions of which resolution 11 will be proposed as an ordinary resolution and resolutions 12 and 13 will be proposed as special resolutions:

11. **ORDINARY RESOLUTION**

    THAT (in substitution for all subsisting authorities) the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the "Act") to allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights") up to an aggregate nominal amount of £139,450.40 for the period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earliest) but the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of that offer or agreement as if the authority conferred by this resolution had not expired.

12. **SPECIAL RESOLUTION**

THAT, subject to the passing of resolution 11, the Directors be and they are hereby empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 11 as if section 561 of the Act did not apply to the allotment. This power is limited to:

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

(i) to deal with equity securities representing fractional entitlements; and

(ii) to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(b) the allotment of equity securities for cash otherwise than pursuant to paragraph (a) up to an aggregate nominal amount of £20,917.56 for the period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earliest) but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired.

13. **SPECIAL RESOLUTION**

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

a. the maximum number of ordinary shares which may be purchased is 836,702 representing 10 per cent. of the Company's issued ordinary share capital as at 1 August 2022;

b. the minimum price (exclusive of expenses) which may be paid for each ordinary share is 5 pence;

c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105 per cent. of the average of the middle market quotations of an ordinary share of the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased;

d. this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earlier); and

e. the Company may, before such expiry, enter into one or more contracts to purchase ordinary shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

By Order of the Board

Kerin Williams
COMPANY SECRETARY
1 August 2022

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

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies, who need not be members of the Company, to attend, speak and vote instead of him/her. In order to be valid, a proxy appointment must be made and returned by one of the following methods:

   (a) by completion of the Form of Proxy, in hard copy form by post, or by courier to the registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY ("the Registrar");

   (b) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or

   (c) by appointing your proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. You will need your Control Number, SRN & PIN which can be found on your Form of Proxy,

   and in each case, the appointment must be received not less than 48 hours before the time for holding of the Annual General Meeting. In calculating such 48-hour period, no account shall be taken of any part of a day that is not a working day. A shareholder that appoints a person to act on its behalf under any power of attorney or other authority and wishes to use method (a), (b) or (c) must return such power of attorney or other authority to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY prior to using such method and in any event not less than 48 hours before the time of the Annual General Meeting. If you hold your ordinary shares in uncertificated form (that is, in CREST) you may appoint a proxy by completing and transmitting a CREST message (a "CREST Proxy Instruction") in accordance with the procedures set out in the CREST manual so that it is received by the Registrar by no later than 12.00 noon on 12 September 2022.

   The completion and return of a Form of Proxy will not preclude a member form attending and voting at the Meeting in person.

2. In order for a proxy, or instruction made by means of CREST to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the Form of Proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent, Computershare Investor Services PLC (ID 3RA50), by the latest time(s) for receipt of Form of Proxies specified in the AGM Notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001. CREST members and where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure 5 that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3. In the case of a shareholder which is a company, a hard copy Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
4. Pursuant to regulation 41 of the Uncertificated Regulations 2001, the Company specifies that only those shareholders registered on the register of members of the Company as at 6.00 p.m. on 12 September 2022 (being not more than 48 hours prior to the time fixed for the Meeting) shall be entitled to attend and vote at the aforesaid Annual General Meeting in respect of the number of shares registered in their name at that time or if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to entries on the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
5. Each of the resolutions to be put to the Meeting will be voted on by poll and not show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and Proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the Meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.
6. Copies of all letters of appointment between the Company and its Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours and will be available for inspection at 2 Plato Place, 72/74 St. Dionis Road, London, SW6 4TU at least 15 minutes prior to the commencement of, and during the continuance of, the Annual General Meeting.
7. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend and speak and vote at the Meeting. A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. If you appoint more than one proxy, then on each Form of Proxy you must specify the number of shares for which each proxy is appointed.
8. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
9. Explanatory notes in relation to the resolutions to be proposed at the Meeting are set out on the following pages.
10. A Nominated person may under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and speak and vote at the Annual General Meeting. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.
11. If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the Annual General Meeting, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the Annual General Meeting. Such Nominated Persons are advised to contact the members who nominated them for further information on this.

BEST OF THE BEST PLC

Notice of Annual General Meeting – Explanatory Notes to the Resolutions

RESOLUTION 1: REPORTS AND ACCOUNTS

The Directors are required to present to the meeting the audited accounts and the reports of the Directors and the auditor for the financial year ended 30 April 2022.

RESOLUTION 2: DECLARATION OF DIVIDEND

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

RESOLUTION 3: APPOINTMENT OF A DIRECTOR

Joanne Bucci was appointed as a Director of the Company by the Board with effect from 1 July 2022. In accordance with Article 92 of the Articles of Association of the Company, Directors must seek reappointment by the shareholders at the next Annual General Meeting following their appointment. Biographical details of the Director can be found on page 11.

RESOLUTIONS 4 TO 8: RE-APPOINTMENT OF DIRECTORS

David Firth, William Hindmarch, Rupert Garton, Ben Hughes and Daniel Burns are seeking re-election as Directors of the Company annually in line with best practice. Biographical details of the Directors can be found on page 11.

RESOLUTION 9: RE-APPOINTMENT OF AUDITOR

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

RESOLUTION 10: AUTHORITY TO SET THE AUDITOR'S REMUNERATION

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

RESOLUTION 11: AUTHORITY TO ALLOT SHARES

Section 549 of the Companies Act 2006 provides, in relation to all companies, that the Directors may not allot shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company unless authorised to do so by the Company in general meeting or by its Articles of Association. Accordingly, this resolution seeks renewal, for a further period expiring at the earlier of the close of the next annual general meeting of the Company and fifteen months after the passing of the resolution, of the authority previously granted to the Directors at the last annual general meeting of the Company. This authority will relate to a total of 2,789,008 ordinary shares of 5 pence each, representing approximately one third of the Company's issued share capital as at the date of this Notice. While this resolution empowers the Directors to allot shares, they are required to effect any such allotment on a pre-emptive basis save to the extent that they are otherwise authorised. Resolution 12 below contains a limited power to allot on a non-pre-emptive basis. The Directors have no present intention of allotting, or agreeing to allot, any shares otherwise than in connection with employee share schemes, to the extent permitted by such schemes.

RESOLUTION 12: DIS-APPLICATION OF PRE-EMPTION RIGHTS

If the Directors wish to allot any shares of the Company for cash in accordance with the authority granted at this year's annual general meeting these must generally be offered first to shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the interests of the Company for the Directors to be able to allot some shares for cash without having to offer them first to existing shareholders. In line with normal practice, this resolution, which will be proposed as a special resolution, seeks approval to renew the current authority to exclude the statutory pre-emption rights for issues of shares having a maximum aggregate nominal value of up to £20,917.56, representing 5 per cent. of the Company's issued share capital as at the date of this Notice. In addition, there are legal, regulatory and practical reasons why it may not always be possible to issue new shares under a rights issue to some shareholders, particularly those resident overseas. To cater for this, the resolution also permits the Directors to make appropriate exclusions or arrangements to deal with such difficulties. This authority would be effective until the earlier of the conclusion of the next annual general meeting of the Company and fifteen months after the passing of the resolution. The Directors believe that obtaining this authority is in the best interests of shareholders as a whole and recommend that shareholders vote in favour of this resolution.

RESOLUTION 13: PURCHASE OF OWN SHARES

The Directors believe that it is in the interests of the Company and its members to continue to have the flexibility to purchase its own shares and this resolution seeks authority from members to do so. The Directors intend only to exercise this authority where, after considering market conditions prevailing at the time, they believe that the effect of such exercise would be to increase the earnings per share and be in the best interests of shareholders generally. The effect of such purchases would either be to cancel the number of shares in issue or the Directors may elect to hold them in treasury pursuant to the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the "Treasury Share Regulations"), which came into force on 1 December 2003. The Treasury Share Regulations enable certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by a company in accordance with the Companies Act 2006. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under a company's employee share scheme. Once held in treasury, a company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the company's assets may be made to the company in respect of the treasury shares. This resolution renews the authority given at the Annual General Meeting held on 15 September 2021 and would be limited to 836,702 ordinary shares, representing approximately 10 per cent. of the issued share capital at 1 August 2022. The Directors intend to seek renewal of this power at each Annual General Meeting. As at 1 August 2022 there were options outstanding over 193,352 shares, representing 2.31 per cent. of the Company's issued share capital. If the authority given by this resolution was to be fully used, this would represent 2.57 per cent. of the Company's issued share capital.