best of the best

Annual Report & Accounts 2011

Report of the Directors and

Consolidated Financial Statements

For The Year Ended 30th April 2011

for

BEST OF THE BEST PLC

BEST OF THE BEST PLC

Contents of the Consolidated Financial Statements
For The Year Ended 30th April 2011

BEST OF THE BEST PLC

Company Information
For The Year Ended 30th April 2011

DIRECTORS:	W S Hindmarch R C E Garton M W Hindmarch DL C Hargrave
SECRETARY:	Prism Cosec Limited
REGISTERED OFFICE:	Unit 2 Plato Place 72/74 St. Dionis Rd London SW6 4TU
REGISTERED NUMBER:	03755182
AUDITORS:	Wilkins Kennedy Chartered Accountants & Statutory Auditor Bridge House London Bridge London SE1 9QR
BANKERS:	Natwest Bank 2nd Floor 180 Brompton Road London SW3 1HL
NOMINATED ADVISORS:	Charles Stanley Securities 25 Luke Street London EC2A 4AR
SOLICITORS:	Pinsent Masons LLP 30 Crown Place Earl Street London EC2A 4ES

BEST OF THE BEST PLC

Financial Highlights
For The Year Ended 30th April 2011

Key points:

- Business adversely affected by loss of key BAA contracts as reported on 11th October 2010
- Revenue from combined (continuing and discontinuing) operations £6.57m (2010: £7.3m)
- Revenue from continuing operations £4.74m (2010: £4.83m restated)
- Profit before tax from combined operations £0.17m (2010: £0.48m)
- Profit before tax from continuing operations £0.07m (2010: £0.45m restated)
- Cash balances of £2.74m (2010: £2.29m)
- Net Assets of £4.28m (2010: £4.28m)
- Shopping centre trial at Westfield London to commence in early July
- Significant changes made to competition types, structures and pricing to assist with a major drive to acquire new players online

William Hindmarch, Chief Executive, said:

"Clearly this has been a difficult time for the Company which has had to react to significant and unforeseen changes to its business. However, we have made the necessary changes to enable the business to refocus and rebuild. The next twelve months will be an exciting period for the Company with much of the focus on testing new player acquisition using sophisticated Life Time Value based models, through both online marketing channels and previously untapped physical locations."

BEST OF THE BEST PLC

Chief Executive's Statement
For The Year Ended 30th April 2011

Chief Executive's Statement

As previously reported, the first five months of the financial period saw the business return a solid performance, in line with expectations. However, five months into the financial year, BAA, our largest shareholder and landlord terminated our contracts. BAA was the landlord at 7 of our airport sites, representing a substantial proportion of our airport revenues. The business had been performing strongly at these sites during the period, however, BAA decided that they wished to use the central space we occupied to provide more seating, signage and information for passengers.

Since this initial news however, we have in fact managed to retain our sites in BAA's airports at Edinburgh and Stansted Airports as well as opening a new site in the new Dublin Airport. Site refurbishments at Gatwick, Luton, Stansted and Copenhagen are due to be completed in the coming months and we have invested in upgrading our car stock at the airports sites.

This has clearly been a difficult time for the Company but the management has now made significant changes to the main supercar competition as well as adding a broader range of competitions to include luxury watches, holidays and gadget competitions. These new competitions, as well as the lower entry price Supercar competition enable us to pursue our strategy to significantly increase our online player acquisition over the coming months.

We have a firm view of our online and offline Life Time player Value and have been trialling many different online marketing initiatives over the recent months in order to achieve a satisfactory cost per new player acquisition. It is our ambition to significantly scale up our online marketing over the coming months as we grow in confidence with this cost per acquisition numbers.

Results

Revenue from continuing operations for the year ended 30th April 2011 was £4.74m (2010: £4.83m restated). Profit before tax from continuing operations for the period was £0.07m (2010: £0.45m restated). Earnings per share for the period were 1.13p (2010: 2.68p).

Revenue from combined (continuing and discontinuing) operations for the year ended 30th April 2011 was £6.57m (2010: £7.30m). Profit before tax from combined operations for the period was £0.17m (2010: £0.48m).

The cash position of the Company increased to £2.74m (2010: £2.29m), with inventory of prizes on display at £1.28m (2010 £1.42m). Our net assets which principally comprise cash, our stock of cars on display (held at net realisable value) and our 997 year leasehold office property stand at £4.28m (2010: £4.28m).

Dividend

The Board is recommending maintaining a final dividend of 1.2 pence per share for the full year ending 30th April 2011 subject to shareholder approval at the AGM on 15th September 2011. The final dividend will be paid on 13th October 2011 to shareholders on the register on 16th September 2011.

Business

As reported on 11th October 2010, BAA terminated the Company's contracts at Heathrow, Stansted, Edinburgh and Glasgow airports, effective 3rd January 2011. However, the Company has been able to renegotiate with Edinburgh Airport to remain for a further two years and has also recently renegotiated a new contract at Stansted Airport (terms agreed and due to be signed in the coming weeks).

During the period we have opened a new site at Dublin Airport's Terminal 2 which is trading well. We are also expecting to refit sites at Gatwick, Luton, Stansted and Copenhagen over the coming months. We expect the enhanced level of shop fit, together with our new competitions and price points, to drive the performance of our airport outlets.

One of the key drivers behind the decision to restructure the Supercar competition, introduce variable price points and to launch a range of new lower priced competitions was to assist with expansion beyond our traditional airport channels. A five week trial commences in early July in London's Westfield Shopping Centre, and assuming a successful result, we have initiated negotiations with a number of other large shopping centre owners, to open further UK sites in the coming months.

We are also trialling player acquisition at sporting events, starting with the Goodwood Festival of Speed in July with the ambition of attending multiple events in the UK in the future.

We are at an advanced stage of discussions regarding a franchise opportunity in South Africa and continue to assess approaches from a number of other territories.

Online Business

We believe the online business to be one of the key areas for growth. The recent changes we have made to competition structures, price points and product categories has not only enabled us to expand to other physical locations but has also facilitated our online marketing efforts with regards to new player acquisition.

We now have a selection of at least 8 competitions for players to choose from at anyone one time, encompassing a much broader range of products, with prices ranging from 50 pence to £20 per entry. We believe that this gives our website a much wider appeal and initial evidence and site performance bears this out.

Our average order value has naturally declined with the lower priced competitions on offer, but our transaction volumes have increased by 35 per cent. in the last quarter of the financial year compared to the same period in the prior year. Online sales volumes have in fact been maintained despite the loss of five key BAA sites, which were delivering valuable new registrations to the database, and it is an encouraging sign that we have an increasingly broader, scalable, and more engaged subscriber base.

We have been exhaustively analysing the results of our increasing levels of marketing spend over recent months, and in doing so significantly reduced the cost of new player acquisitions. It is our ambition to significantly scale up our online marketing spend over the coming months as our confidence in the accuracy of player acquisition costs and player Life Time Value grows.

Outlook

Clearly this has been a difficult time for the Company which has had to react to significant and unforeseen changes to its business. However, we have made the necessary changes to enable the business to refocus and rebuild. The next twelve months will be an exciting period for the Company with much of the focus on testing new player acquisition using sophisticated Life Time Value based models, through both online marketing channels and previously untapped physical locations.

I look forward to updating shareholders in due course.

William Hindmarch
Chief Executive
4th July 2011

BEST OF THE BEST PLC

Report of the Directors
For The Year Ended 30th April 2011

The Directors present their report with the financial statements of the Company and the Group for the year ended 30th April 2011.

PRINCIPAL ACTIVITY

The principal activity of the Group in the year under review was that of competition operators.

REVIEW OF BUSINESS

A full review of the business's progress during the year and future developments are contained in the Chief Executive's Statement on pages 3 to 4.

There was a profit for the period after taxation of £0.13m (2010: £0.34m).

The Company's key performance indicator is sales and this is discussed in the Chief Executive's Statement.

DIVIDENDS

During the year, the Company paid a dividend equating to 1.2 pence per share as recommended in the accounts to 30th April 2010.

The Board is recommending a final dividend payment of 1.2 pence per share for the full year ended 30th April 2011 subject to shareholder approval at the AGM on the 15th September 2011. A final dividend is covered 1.0 times by earnings per share and will be paid on 13th October 2011 to shareholders on the register on 16th September 2011.

The total distribution of dividends for the year ended 30th April 2011 will be £131,619.

DIRECTORS

The Directors shown below have held office during the whole of the period from 1st May 2010 to the date of this report.

W S Hindmarch
R C E Garton
M W Hindmarch
C Hargrave

The beneficial interests of the Directors holding office on 30th April 2011 in the issued share capital of the Company were as follows:

	30th April 2011	*30th April 2010*
Ordinary 5p shares		
W S Hindmarch	5,950,000	5,950,000
R C E Garton	455,619	443,619
M W Hindmarch	1,108,367	1,108,367
C Hargrave	15,151	15,151

BEST OF THE BEST PLC

Report of the Directors
For The Year Ended 30th April 2011

DIRECTORS (CONTINUED)

According to the register of Directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the Directors or their immediate families, or exercised by them, during the financial year except as indicated below:

	Outstanding at beginning of year	*Granted*	*Forfeited*	*Outstanding at end of year*	*Exercise price £*	*Date first exercisable*	*Date of expiry*
R C E Garton	127,182	–	–	127,182	£0.05	01-08-2007	7-08-2016
R C E Garton	63,492	–	–	63,492	£0.05	19-07-2007	18-07-2017
R C E Garton	400,000	–	–	400,000	£0.595	20-09-2010	19-09-2017
R C E Garton	74,528	–	–	74,528	£0.315	17-07-2008	16-07-2018
R C E Garton	75,472	–	–	75,472	£0.05	17-07-2011	16-07-2018
R C E Garton	180,000	–	–	180,000	£0.315	08-04-2012	07-07-2019
C Hargrave	50,000	–	–	50,000	£0.315	17-07-2011	16-07-2018
C Hargrave	20,000	–	–	20,000	£0.375	10-11-2012	09-11-2019

At the 30th April 2011 the market price of the Company's shares was £0.185 (2010: £0.345). The maximum share price during the year was £0.345 (2010: £0.395) and the minimum price was £0.15 (2010: £0.225).

There was no exercise or waiver of options during the period.

GROUP'S POLICY ON PAYMENT OF CREDITORS

The Group payment policy is to ensure that, in the absence of dispute, all suppliers are dealt with in accordance with its standard payment practice whereby all outstanding trade accounts are settled within the term agreed with the supplier at the time of the supply or otherwise 30 days from the receipt of the relevant invoice. Trade creditor days based on creditors at 30th April 2011 were 28 days (2010: 19 days).

FINANCIAL RISK MANAGEMENT

The Group's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk, interest risk and credit risk.

Credit Risk

The Group has a relatively low exposure to credit risk due to the nature of its sales. However the Group employs various procedures to ensure that all sales are collected promptly and accurately.

Liquidity Risk

The Group actively maintains sufficient cash balances to ensure that the Group has available funds for operations. The Group finances its operations principally from equity and cash reserves.

Interest rate cash flow risk

During the year the Group had both interest bearing asset and interest bearing liabilities. Interest bearing assets include cash balances, all of which earn interest at a variable rate.

BEST OF THE BEST PLC

Report of the Directors
For The Year Ended 30th April 2011

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the Group made the following charitable donations in excess of £200:

Donee	*Contribution* £
Great Ormond Street Hospital Children Charity	1,000.00
British Red Cross	1,000.00
Send a Cow	500.00
Sparks	2,000.00
NSPCC	500.00
Brainwave	1,000.00

SHARE CAPITAL

No shares have been issued during or subsequent to the year ended 30th April 2011. However 1,750,000 shares were cancelled during the year. Please see note 16 for further details.

SUBSTANTIAL SHAREHOLDERS

As at 4th July 2011 the Directors were aware of the following interest of 3 per cent. or more in the issued ordinary share capital of the Company (other than Directors interests already disclosed) and had not been notified, pursuant to the provisions of the Companies Act 2006, of any further such interests.

Name	*Shareholding*	*Percentage*
Stancroft Trust Limited	944,000	8.61
Rock (Nominees) Limited	682,638	6.22
Octopus Investments Nominees	534,400	4.87
Pershing Nominees Limited	473,985	4.32

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

– select suitable accounting policies and then apply them consistently;

– make judgements and accounting estimates that are reasonable and prudent;

– state that the financial statements comply with IFRS;

– prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are 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 auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD:

W S Hindmarch
Director
4th July 2011

BEST OF THE BEST PLC

Corporate Governance Report
For The Year Ended 30th April 2011

PRINCIPLES OF CORPORATE GOVERNANCE

The policy of the Board is to manage the affairs of the Company in accordance with the principles underlying the Combined Code on Corporate Governance.

The Board of Directors is accountable to shareholders for the good corporate performance of the Group. The principles of Corporate Governance and a code of best practice are set out in the Combined Code. Under the rules of the AIM, the Group is not required to comply in full with the code nor to state whether it derogates from it. The Board considers that full compliance with the Code is not appropriate at this stage. This statement sets out how the principles of the Code have been applied having regard to the size and nature of the Company.

BOARD STRUCTURE

The chief executive of the Company is William Hindmarch. He is heavily involved in the day to day running of the Group. In total the Board comprises a Chief Executive, one further Executive Director and two Non-executive Directors, Colin Hargrave and Michael Hindmarch. Colin Hargrave is an independent Non-executive Director. It is considered that this gives the necessary mix of industry specific and broad business experience necessary for the effective governance of the Group.

There are certain matters specifically reserved to the Board for its decision. Board meetings are held on a regular basis and effectively no decision of any consequence is made other than by the Board. All Directors participate in the key areas of decision making, including the appointment of new Directors.

The Board is responsible to shareholders for the proper management of the Group. A statement of Directors' responsibilities in respect of the accounts is set out on page 7. 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 Directors have full and timely access to all relevant information.

All Directors have access to the Company Secretary. There is no agreed formal procedure for the Directors to take independent professional advice at the Company's expense.

All Directors submit themselves for re-election at the annual general meeting at regular intervals. The Non-executive Directors are appointed under fixed term contracts of no more than one year.

A brief biography of each of the Directors is set out below.

William Hindmarch, Age 37 – *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. He has been the Chief Executive for 10 years.

Rupert Garton, Age 36 – *Commercial Director*

Rupert graduated from the University of Durham in 1997 and joined JP Morgan as a graduate trainee. He moved to Dresdner Kleinwort Wasserstein to take up a position in the equity capital markets division and then spent a further four years in Dresdner Kleinwort Wasserstein's corporate finance division, working in London, Milan and Johannesburg.

In 2003, he left to do an MBA at the Oxford Said Business School, before joining a specialist retailer as Commercial Director. He joined the Company in January 2006.

BOARD STRUCTURE (CONTINUED)

Michael Hindmarch DL, Age 72 – *Non-executive Chairman*

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

Colin Hargrave, Aged 58 – *Non-executive Director*

Colin has spent all his working life in the retail, leisure and travel industries having started his career with the Burton Group. From 1991 to 1997 Colin worked for the Early Learning Centre, a division of John Menzies plc. Reporting to the CEO as International Development Manager he was responsible for expanding ELC into 13 new overseas markets through franchising, joint ventures and wholesaling.

From 1997 until he left in 2008 he worked for BAA Plc, more recently taken into private ownership. His role prior to leaving was Managing Director of UK Retail where he was responsible for sales in excess of £2.3b and a profit contribution c £650m from the seven UK airports BAA owned.

The Board has established the following committees, which have written terms of reference, to deal with specific aspects of the Company's affairs.

AUDIT COMMITTEE

The audit committee comprises of Colin Hargrave (Chairman of the committee) and Michael Hindmarch.

Meetings are also generally attended by the Company's Executive Directors, and the External Auditors.

The remit of the committee is to review:

- the appointment and performance of the external auditors;
- remuneration for both audit and non-audit work and nature and scope of the audit with the external auditors;
- the interim and final financial report and accounts;
- the external auditors' management letter and management's responses;
- the systems of risk management and internal controls;
- operating, financial and accounting practices; and
- related recommendations to the Board.

The audit committee meets at least twice a year.

REMUNERATION COMMITTEE

The remuneration committee comprising of Michael Hindmarch (Chairman of the committee) and Colin Hargrave is responsible for making recommendations to the Board on the Company'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 executive Directors. The report on Directors' remuneration is set out on page 12.

NOMINATION COMMITTEE

There is no separate nomination committee at the moment due to the size of the Board.

INTERNAL FINANCIAL CONTROL

The Board acknowledges its responsibility for establishing and monitoring the Company's systems of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Company'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 before being formally adopted. Other key procedures that have been established and which are designed to provide effective control 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 weakness in internal financial control have resulted in any material losses, contingencies which would require disclosure as recommended by the guidance for Directors on reporting on internal financial control.

The Board considers that in light of the control environment described above, there is no current requirement for a separate internal audit function.

RELATIONS WITH SHAREHOLDERS

The Chief Executive is the Company's principal spokesperson with investors, fund managers, the press and other interested parties. 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 15th September 2011. Notice of the Annual General Meeting is set out in the back of this document.

GOING CONCERN

The Directors confirm that they are satisfied that the Company and Group has 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.

BEST OF THE BEST PLC

Directors' Remuneration Report
For The Year Ended 30th April 2011

REMUNERATION COMMITTEE

The Company has a remuneration committee which is constituted in accordance with the recommendations of the Combined Code. The members of the committee are Michael Hindmarch (Chairman of the Committee) and Colin Hargrave.

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

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

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

REMUNERATION POLICY

SHARE OPTIONS

Certain Directors 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 scheme is to incentivise the Directors and management 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 30th April 2011 two of the Directors, Rupert Garton and Colin Hargrave, held options. Details and conditions of these options are detailed on page 6.

PENSION ARRANGEMENTS

A reserve has been made during the year to 30th April 2011 based upon the ability of executive Directors to benefit from pension contributions as detailed in their contracts. It is the intention of the Directors to commence payment into a Defined Contribution Self Invested Pension Plan in the near future.

During the year, the Company provided £12,000 in respect of executive Director Pension payments. At the year end, £nil (2010: £24,000) 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

Directors' Remuneration Report (continued)
For The Year Ended 30 April 2011

DIRECTORS' EMOLUMENTS

	Benefits in Kind	*Salary*	*Bonus*	*Pension*	*Fees paid to Third parties*	*30th April 2011 Total*	*30th April 2010 Total*
	£	*£*	*£*	*£*	*£*	*£*	*£*
Rupert Garton	13,952	120,000	25,000	6,000	–	164,952	147,030
William Hindmarch	17,954	120,000	25,000	6,000	–	168,954	160,218
Michael Hindmarch	–	–	–	–	11,000	11,000	6,000
Colin Hargrave	4,167	19,200	–	–	–	23,367	17,071
William Henbry*	–	–	–	–	–	–	2,000
Nicholas Ziebland*	–	–	–	–	–	–	2,400

• resigned 1st August 2009.

Aggregate emoluments disclosed above do not include any amounts for the value of options to acquire ordinary shares in the Company granted to or held by the Directors. There were no share options granted or exercised during the year. All the share options granted are on an unapproved basis.

There was no exercise or waiver of options during the period.

APPROVAL

The report was approved by the Board of Directors and authorised for issue on 4th July 2011 and signed on its behalf by:

…………………………………

M W Hindmarch
Chairman

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BEST OF THE BEST PLC

We have audited the financial statements of Best of the Best Plc for the year ended 30th April 2011 on pages sixteen to thirty seven. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the 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 Company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of Directors' Responsibilities set out on page seven, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 30th April 2011 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BEST OF THE BEST PLC

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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.

Mark Norton (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy
Chartered Accountants
& Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

4th July 2011

BEST OF THE BEST PLC

Consolidated Income Statement
For The Year Ended 30th April 2011

	Notes	2011 £	2010 £ (restated)
CONTINUING OPERATIONS			
Revenue	2	4,737,356	4,833,185
Cost of sales		(1,922,593)	(1,882,689)
GROSS PROFIT		2,814,763	2,950,496
Administrative expenses		(2,765,540)	(2,535,281)
OPERATING PROFIT		49,223	415,215
Finance income	5	24,710	31,153
PROFIT BEFORE INCOME TAX	6	73,933	446,368
Income tax	7	(17,294)	(129,736)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		56,639	316,632
Profit for the year on discontinued Operations	4	75,637	24,340
Profit attributable to: Owners of the parent		132,276	340,972
Earnings per share expressed in pence per share:	10		
Basic		1.13	2.68
Diluted		1.11	2.62
Discontinued operations:	10		
Basic		0.65	0.18
Diluted		0.63	0.18

BEST OF THE BEST PLC

Consolidated Statement of Comprehensive Income
For The Year Ended 30th April 2011

	2011	*2010*
	£	*£*
PROFIT FOR THE YEAR	132,276	340,972
OTHER COMPREHENSIVE INCOME	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	132,276	340,972
Total comprehensive income attributable to:		
Owners of the parent	132,276	340,972

BEST OF THE BEST PLC

Consolidated Statement of Financial Position
30th April 2011

	Notes	*2011* £	*2010* £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	832,502	1,314,085
Investments	12	–	–
Deferred tax	19	124,441	22,209
		956,943	1,336,294
CURRENT ASSETS			
Inventories	13	1,274,965	1,420,859
Trade and other receivables	14	170,686	109,305
Cash and cash equivalents	15	2,744,025	2,290,241
		4,189,676	3,820,405
TOTAL ASSETS		5,146,619	5,156,699
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	16	548,413	635,913
Share premium	17	1,782,622	1,782,622
Capital redemption reserve	17	87,500	–
Share based payment reserve	17	147,810	147,810
Retained earnings	17	1,715,401	1,714,743
TOTAL EQUITY		4,281,746	4,281,088
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	699,890	727,192
Tax payable		164,983	148,419
		864,873	875,611
TOTAL LIABILITIES		864,873	875,611
TOTAL EQUITY AND LIABILITIES		5,146,619	5,156,699

The financial statements were approved by the Board of Directors on 4th July 2011 and were signed on its behalf by:

....
W S Hindmarch
Director

BEST OF THE BEST PLC

Company Statement of Financial Position
30th April 2011

	Notes	*2011* £	*2010* £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	832,502	1,314,085
Investments	12	12,585	12,500
Deferred tax	19	124,441	22,209
		969,528	1,348,794
CURRENT ASSETS			
Inventories	13	1,274,965	1,420,859
Trade and other receivables	14	218,269	139,874
Cash and cash equivalents	15	2,628,131	2,230,135
		4,121,365	3,790,868
TOTAL ASSETS		5,090,893	5,139,662
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	16	548,413	635,913
Share premium	17	1,782,622	1,782,622
Capital redemption reserve	17	87,500	–
Other reserves	17	147,810	147,810
Retained earnings	17	1,715,326	1,739,519
TOTAL EQUITY		4,281,671	4,305,864
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	646,525	685,379
Tax payable		162,697	148,419
		809,222	833,798
TOTAL LIABILITIES		809,222	833,798
TOTAL EQUITY AND LIABILITIES		5,090,893	5,139,662

The financial statements were approved by the Board of Directors on 4th July 2011 and were signed on its behalf by:

....
W S Hindmarch
Director

BEST OF THE BEST PLC

Consolidated Statement of Changes in Equity
For The Year Ended 30th April 2011

	Called up share capital £	*Profit and loss account* £	*Share premium* £
Balance at 1st May 2009	635,913	1,513,672	1,782,622
Changes in equity			
Dividends	–	(139,901)	–
Total comprehensive income	–	340,972	–
Balance at 30th April 2010	635,913	1,714,743	1,782,622
Changes in equity			
Redemption of share capital	(87,500)	–	–
Dividends	–	(131,618)	–
Total comprehensive income	–	132,276	–
Balance at 30th April 2011	548,413	1,715,401	1,782,622

	Capital redemption reserve £	*Other reserves* £	*Total equity* £
Balance at 1st May 2009	–	144,967	4,077,174
Changes in equity			
Dividends	–	–	(139,901)
Total comprehensive income	–	2,843	343,815
Balance at 30th April 2010	–	147,810	4,281,088
Changes in equity			
Redemption of share capital	–	–	(87,500)
Dividends	–	–	(131,618)
Total comprehensive income	87,500	–	219,776
Balance at 30th April 2011	87,500	147,810	4,281,746

BEST OF THE BEST PLC

Company Statement of Changes in Equity
For The Year Ended 30th April 2011

	Called up share capital £	*Profit and loss account* £	*Share premium* £
Balance at 1st May 2009	635,913	1,504,695	1,782,622
Changes in equity			
Dividends	–	(139,901)	–
Total comprehensive income	–	374,725	–
Balance at 30th April 2010	635,913	1,739,519	1,782,622
Changes in equity			
Redemption of share capital	(87,500)	–	–
Dividends	–	(131,618)	–
Total comprehensive income	–	107,425	–
Balance at 30th April 2011	548,413	1,715,326	1,782,622

	Capital redemption reserve £	*Other reserves* £	*Total equity* £
Balance at 1st May 2009	–	144,967	4,068,197
Changes in equity			
Dividends	–	–	(139,901)
Total comprehensive income	–	2,843	377,568
Balance at 30th April 2010	–	147,810	4,305,864
Changes in equity			
Redemption of share capital	–	–	(87,500)
Dividends	–	–	(131,618)
Total comprehensive income	87,500	–	194,925
Balance at 30th April 2011	87,500	147,810	4,281,671

BEST OF THE BEST PLC

Consolidated Statement of Cash Flows
For The Year Ended 30th April 2011

	Notes	*2011* £	*2010* £
Cash flows from operating activities			
Cash generated from operations	1	473,565	987,144
Tax paid		(126,056)	(150,038)
Net cash from operating activities		347,509	837,106
Cash flows from investing activities			
Purchase of tangible fixed assets		(313,773)	(476,973)
Sale of tangible fixed assets		–	50,549
Impairment losses		526,956	–
Interest received		24,710	31,153
Net cash from investing activities		237,893	(395,271)
Cash flows from financing activities			
Equity dividends paid		(131,618)	(139,901)
Net cash from financing activities		(131,618)	(139,901)
Increase in cash and cash equivalents		453,784	301,934
Cash and cash equivalents at beginning of year	2	2,290,241	1,988,307
Cash and cash equivalents at end of year	2	2,744,025	2,290,241

BEST OF THE BEST PLC

Notes to the Consolidated Statement of Cash Flows
For The Year Ended 30th April 2011

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

	2011	*2010*
	£	*£*
Profit before income tax	172,663	480,241
Depreciation charges	268,401	291,639
Profit on disposal of fixed assets	–	(6,922)
Employee share based payment	–	2,843
Finance income	(24,710)	(31,153)
	416,354	736,648
Decrease in inventories	145,894	317,862
(Increase)/Decrease in trade and other receivables	(61,381)	5,186
Decrease in trade and other payables	(27,302)	(72,552)
Cash generated from operations	473,565	987,144

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statements of financial position amounts:

Year ended 30th April 2011

	30th April 2011	*1st May 2010*
	£	*£*
Cash and cash equivalents	2,744,025	2,290,241

Year ended 30th April 2010

	30th April 2010	*1st May 2009*
	£	*£*
Cash and cash equivalents	2,290,241	1,988,307

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

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 the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Revenue recognition

Revenue represents the value of tickets sold in respect of competitions which have been completed at the accounting date. A competition is completed when the Group closes entries.

Property, plant and equipment

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

Long leasehold	– not provided
Improvements to property	– depreciated over the period of the lease
Fixtures and fittings	– 50% on cost, 33% on cost and 20% on cost
Motor vehicles	– 25% on reducing balance
Computer equipment	– at varying rates on cost

Financial instruments

The Group's financial instruments comprise cash together with various items such as trade and other receivables and trade and other payables etc. that arise directly from its operations. The main purpose of these financial instruments is to provide working capital.

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group has become a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Financial liability and equity

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

1. ACCOUNTING POLICIES (CONTINUED)

Trade payables

Trade payables are not interest-bearing and are stated at their nominal value.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 substantially enacted by the balance sheet 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 Income Statement because 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 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 deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Employee benefit costs

The Group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the income statement in the period to which they relate.

1. ACCOUNTING POLICIES (CONTINUED)

Share Based Payment

The Group has 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.

Pension Contributions

The Company operates a money purchase pension scheme for certain employees. The cost of the contribution is charged in the profit and loss account as incurred.

Accruals and deferred income

Accruals and deferred income includes the value of tickets sold for competitions which have not been completed at the accounting date and the cost of prizes to be awarded to winners.

2. SEGMENTAL REPORTING

The Directors consider that the primary reporting format is by business segment and that there is only one such segment being that of competition operators. This disclosure has already been provided in these financial statements.

All of the Group's material operations are located in the United Kingdom.

3. EMPLOYEES AND DIRECTORS

	2011	*2010*
	£	£
Wages and salaries	2,746,225	2,829,707
Social security costs	34,491	31,122
	2,780,716	2,860,829

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

	2011	*2010*
Sales	50	62
Administration	11	14
Management	3	3
	64	79

	2011	*2010*
	£	£
Directors' remuneration	368,273	326,719

BEST OF THE BEST PLC

Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30th April 2011

3. EMPLOYEES AND DIRECTORS (CONTINUED)

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

	2011	*2010*
Money purchase schemes	2	2

Information regarding the highest paid Director is as follows:

	2011	*2010*
	£	*£*
Accrued pension at 30th April 2011	168,954	160,218

4. DISCONTINUED OPERATIONS

	Year ended 30th April 2011				*Year ended 30th April 2010 (as restated)*			
	Continuing	*Discontinuing*		*Total*	*Continuing*	*Discontinuing*		*Total*
			Result of termination				*Result of termination*	
	£'000's	*£'000's*	*£'000's*	*£'000's*	*£'000's*	*£'000's*	*£'000's*	*£'000's*
Turnover	4,737	1,831	–	6,568	4,833	2,465	–	7,298
Cost of sales	(1,922)	(701)	–	(2,623)	(1,883)	(1,097)	–	(2,980)
Admin expenses	(2,766)	(1,137)	(645)	(4,548)	(2,535)	(1,334)	–	(3,869)
Other income	25	–	750	775	31	–	–	31
Profit before tax	74	(7)	105	172	446	34	–	480
Tax	(17)	2	(25)	(40)	(130)	(9)	–	(139)
Profit/(Loss) for the period	57	(5)	80	132	316	25	–	341

As per the release dated 11th October 2010, BAA Airports Limited has terminated a majority of the on-going concession agreements with Best of the Best Plc. As a result, Best of the Best Plc received a termination payment of £750,000. This is included within other discontinued income.

Associated costs with regards to the closure of the BAA sites included an asset impairment provision of £526,956 and additional wages and legal costs of £118,424, all included within discontinued admin expenses.

5. NET FINANCE INCOME

	2011	*2010*
	£	*£*
Finance income:		
Deposit account interest	24,710	31,153

6. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging:

	2011	*2010*
	£	*£*
Cost of inventories recognised as expense	1,841,225	1,420,859
Depreciation – owned assets	268,401	291,638
Profit on disposal of fixed assets	–	(6,922)
Auditors' remuneration	25,351	13,500
Auditors' remuneration for non-audit work	13,500	23,857
Foreign exchange differences	413	7,658
Operating leases – Land and buildings	782,013	1,558,821

6. PROFIT BEFORE INCOME TAX (CONTINUED)

Amounts payable to the auditors and their associates in respect of both audit and non-audit services:

	Year ended 30th April 2011	*Year ended 30th April 2010*
	£	*£*
Audit services		
– Statutory audit	25,351	25,112
– other services relating to such legislation	13,500	13,500
Tax services-compliance services	–	–
Other Services	–	–

7. INCOME TAX

Analysis of the tax charge

	2011	*2010*
	£	*£*
Current tax:		
Tax	164,983	148,419
Over/under provision in prior year	(22,363)	10,038
Total current tax	142,620	158,457
Deferred tax	(102,233)	(19,188)
Total tax charge in income statement	40,387	139,269

Factors affecting the tax charge

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

	2011	*2010*
	£	*£*
Profit on ordinary activities before tax	172,663	480,241
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27.83% (2010 – 28%)	48,057	134,467
Effects of:		
Expenses not deductible for tax purposes	221,372	6,720
Capital allowances in excess of depreciation	(84,289)	3,341
Marginal relief	(14,907)	(3,622)
Loss/(Profit) on disposal of assets	–	(1,938)
(Over)/under provision in prior year from 1st April 2008	(22,364)	10,038
Overseas Group losses for the year	(5,249)	9,451
Total income tax	142,620	158,457

8. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's profit for the financial year was £107,425 (2010 – £374,725).

9. DIVIDENDS

During the year, the Company paid a dividend equating to 1.2 pence per share as recommended in the accounts to 30th April 2010.

The Board is recommending a final dividend payment of 1.2 pence per share for the full year ended 30th April 2011 subject to shareholder approval at the AGM on the 15th September 2011. A final dividend is covered 1.0 times by earnings per share and will be paid on 13th October 2011 to shareholders on the register on 16th September 2011.

The total distribution of dividends for the year ended 30th April 2011 will be £131,619.

10. EARNINGS PER SHARE

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

Diluted earnings per share are calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. The Group has one category of dilutive potential ordinary shares: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Group's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

Reconciliations are set out below.

	Earnings £	*2011 Weighted average number of shares*	*Per-share amount pence*
Basic EPS			
Earnings attributable to ordinary shareholders	132,276	11,697,421	1.13
Effect of dilutive securities	–	248,987	–
Diluted EPS			
Adjusted earnings	132,276	11,946,408	1.11

	Earnings £	*2010 Weighted average number of shares*	*Per-share amount pence*
Basic EPS			
Earnings attributable to ordinary shareholders	340,972	12,718,254	2.68
Effect of dilutive securities	–	273,254	–
Diluted EPS			
Adjusted earnings	340,972	12,991,508	2.62

11. PROPERTY, PLANT AND EQUIPMENT

Group

	Long leasehold £	*Improvements to property* £	*Fixtures and fittings* £
COST			
At 1st May 2010	437,800	21,845	1,122,416
Additions	–	4,105	202,759
Disposals	–	–	(247,238)
Impairments	–	–	(395,048)
At 30th April 2011	437,800	25,950	682,889
DEPRECIATION			
At 1st May 2010	–	–	581,962
Charge for year	–	–	161,496
Eliminated on disposal	–	–	(247,238)
At 30th April 2011	–	–	496,220
NET BOOK VALUE			
At 30th April 2011	437,800	25,950	186,669
At 30th April 2010	437,800	21,845	540,454

	Motor vehicles £	*Computer equipment* £	*Totals* £
COST			
At 1st May 2010	54,840	527,389	2,164,290
Additions	47,900	59,010	313,774
Disposals	–	(191,321)	(438,559)
Impairments	–	(131,908)	(526,956)
At 30th April 2011	102,740	263,170	1,512,549
DEPRECIATION			
At 1st May 2010	20,686	247,557	850,205
Charge for year	17,520	89,385	268,401
Eliminated on disposal	–	(191,321)	(438,559)
At 30th April 2011	38,206	145,621	680,047
NET BOOK VALUE			
At 30th April 2011	64,534	117,549	832,502
At 30th April 2010	34,154	279,832	1,314,085

No depreciation is provided on long leasehold land and buildings as in the opinion of the Directors, the Group's policy of repair and refurbishment is such that the residual values taken as a whole are at least equal to their book values.

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company

	Long leasehold £	*Improvements to property* £	*Fixtures and fittings* £
COST			
At 1st May 2010	437,800	21,845	1,122,416
Additions	–	4,105	202,759
Disposals	–	–	(247,238)
Impairments	–	–	(395,048)
At 30th April 2011	437,800	25,950	682,889
DEPRECIATION			
At 1st May 2010	–	–	581,962
Charge for year	–	–	161,496
Eliminated on disposal	–	–	(247,238)
At 30th April 2011	–	–	496,220
NET BOOK VALUE			
At 30th April 2011	437,800	25,950	186,669
At 30th April 2010	437,800	21,845	540,454

	Motor vehicles £	*Computer equipment* £	*Totals* £
COST			
At 1st May 2010	54,840	527,389	2,164,290
Additions	47,900	59,010	313,774
Disposals	–	(191,321)	(438,559)
Impairments	–	(131,908)	(526,956)
At 30th April 2011	102,740	263,170	1,512,549
DEPRECIATION			
At 1st May 2010	20,686	247,557	850,205
Charge for year	17,520	89,385	268,401
Eliminated on disposal	–	(191,321)	(438,559)
At 30th April 2011	38,206	145,621	680,047
NET BOOK VALUE			
At 30th April 2011	64,534	117,549	832,502
At 30th April 2010	34,154	279,832	1,314,085

12. INVESTMENTS

Company

	Shares in Group Undertakings
	£
COST	
As at 1st May 2010	12,500
Additions	85
As at 30th April 2011	12,585
NET BOOK VALUE	
At 30th April 2011	12,585
As at 30th April 2010	12,500

During the year the Company acquired 100 per cent. of the issued share capital of BOTB Ireland Limited.

The Group or the Company's investments at the balance sheet date in the share capital of the Companies include the following:

Subsidiary
Best of the Best ApS
Country of operation: Denmark
Nature of business: Competition Operator

Class of shares:	*% holding*
Ordinary	100.00

	2011	*2010*
	£	*£*
Aggregate capital and reserves	(3,425)	(12,276)
Profit/(loss) for the year	8,851	(33,755)

BOTB Ireland Limited
Country of operation: Ireland
Nature of business: Competition Operator

Class of shares:	*% holding*
Ordinary	100.00

	2011	*2010*
	£	*£*
Aggregate capital and reserves	16,086	–
Profit/(loss) for the year	16,001	–

13. INVENTORIES

	Group		*Company*	
	2011	*2010*	*2011*	*2010*
	£	*£*	*£*	*£*
Finished goods	1,274,965	1,420,859	1,274,965	1,420,859

14. TRADE AND OTHER RECEIVABLES

	Group		*Company*	
	2011	*2010*	*2011*	*2010*
	£	*£*	*£*	*£*
Current:				
Trade debtors	10,104	8,748	10,104	8,748
Amounts owed by Group undertakings	–	–	123,177	43,517
Other debtors	160,582	100,557	84,988	87,609
	170,686	109,305	218,269	139,874

15. CASH AND CASH EQUIVALENTS

	Group		*Company*	
	2011	*2010*	*2011*	*2010*
	£	*£*	*£*	*£*
Cash in hand	372	977	372	977
Bank accounts	2,743,653	2,289,264	2,627,759	2,229,158
	2,744,025	2,290,241	2,628,131	2,230,135

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	*Class:*	*Nominal value:*	*2011 £'000*	*2010 £'000*
10,968,254	Ordinary shares	5p	548	636

Capital redemption:

Number:	*Class:*	*Nominal value:*	*2011 £'000*	*2010 £'000*
1,750,000	Ordinary shares	5p	88	–

During the year, it was agreed that along with the termination payment, all 1,750,000 shares owned by BAA Airports Limited be cancelled and the dividend issued in respect of the results of the financial year to 30th April 2010 be returned.

As a result of the cancellation an amount of £87,500 has been credited to the capital redemption reserve.

17. RESERVES

Group

	Retained earnings £	*Share premium* £	*Capital redemption reserve* £	*Other reserves* £	*Totals* £
At 1st May 2010	1,714,743	1,782,622	–	147,810	3,645,175
Profit for the year	132,276				132,276
Dividends	(131,618)				(131,618)
Purchase of own shares	–	–	87,500	–	87,500
At 30th April 2011	1,715,401	1,782,622	87,500	147,810	3,733,333

Company

	Retained earnings £	*Share premium* £	*Capital redemption reserve* £	*Other reserves* £	*Totals* £
At 1st May 2010	1,739,519	1,782,622	–	147,810	3,669,951
Profit for the year	107,425				107,425
Dividends	(131,618)				(131,618)
Purchase of own shares	–	–	87,500	–	87,500
At 30th April 2011	1,715,326	1,782,622	87,500	147,810	3,733,258

18. TRADE AND OTHER PAYABLES

	Group		*Company*	
	2011 £	*2010* £	*2011* £	*2010* £
Current:				
Trade creditors	203,495	147,754	195,008	147,736
Social security and other taxes	166,782	219,731	131,371	194,008
Other creditors	329,613	359,707	320,146	343,635
	699,890	727,192	646,525	685,379

19. LEASING AGREEMENTS

Group

	Non-cancellable operating leases 2011 £	2010 £
Within one year	832,342	1,074,060

Company

	2011 £	*2010* £
Within one year	728,919	974,060

20. DEFERRED TAX

Group

	2011 £	*2010* £
Balance at 1st May	(22,209)	(3,021)
Movement in the year	(102,233)	(19,188)
Balance at 30th April	(124,441)	(22,209)

21. TRANSACTIONS WITH DIRECTORS

M W Hindmarch is a Non-executive Director of Best of the Best Plc. During the year ended 30th April 2011 payments were made in respect of consultancy services received during the year from M W Hindmarch. These payments totalled £11,000 for the year (2010: £6,000) and the balance owed at the end of the year was £1,200 (2010: £Nil).

Various executive and Non-executive Directors have historically been granted share options, details for which can be found in the Directors and remuneration reports.

22. RELATED PARTY DISCLOSURES

During the period the Group entered into a number of transactions with related parties, all of which are undertaken in the normal course of trading. Details of these are set out below.

During the period the Group undertook transactions with BAA plc, a Company connected by virtue of its shareholding. These transactions were made up of rental charges totalling £331,283 (2010: £833,987) and other charges totalling £42,037 (2010: £35,480). As at 30th April 2011, the amount owed to BAA plc was £15,686 (2010: £13,296).

23. ULTIMATE CONTROLLING PARTY

The Company is under the ultimate control of Mr. W S Hindmarch, the Chief Executive Director of the Company, by virtue of his 54.25 per cent. share ownership.

24. RECONCILIATION OF MOVEMENTS IN RESERVES

Group

	2011	*2010*
	£	*£*
Profit for the financial year	132,276	340,972
Dividends	(131,618)	(139,901)
	658	201,071
Employee share schemes adjustment	–	2,843
Net addition to reserves	658	203,914
Opening reserves	4,281,088	4,077,174
Closing reserves	4,281,746	4,281,088

Company

	2011	*2010*
	£	*£*
Profit for the financial year	107,425	374,725
Dividends	(131,618)	(139,901)
	(24,193)	234,824
Employee share schemes adjustment	–	2,843
Net (reduction)/addition to reserves	(24,193)	237,667
Opening reserves	4,305,864	4,068,197
Closing reserves	4,281,671	4,305,864

25. SHARE BASED PAYMENTS

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

Grant Date	*Outstanding at 1st May 2010*	*Granted during the period*	*Exercised during the period*	*Forfeited during the period*	*Outstanding at 30th April 2011*	*Expiry Date*	*Weighted Ave.exercise price*
08-08-2006	127,182	–	–	–	127,182	7-8-2016	£0.05
07-08-2006	10,000	–	–	–	10,000	7-8-2016	£0.63
07-08-2006	79,365	–	–	–	79,365	7-8-2016	£0.63
07-08-2006	79,365	–	–	–	79,365	7-8-2016	£0.63
24-10-2006	15,000	–	–	–	15,000	23-10-2016	£0.62
30-04-2007	46,619	–	–	–	46,619	29-4-2017	£0.05
19-07-2007	63,492	–	–	–	63,492	18-7-2017	£0.05
20-09-2007	400,000	–	–	–	400,000	19-9-2017	£0.595
20-11-2007	10,000	–	–	–	10,000	19-11-2017	£0.545
23-05-2008	10,000	–	–	–	10,000	22-5-2018	£0.355
23-05-2008	2,000	–	–	(2,000)	–	22-5-2018	£0.355
23-05-2008	2,000	–	–	–	2,000	22-5-2018	£0.355
23-05-2008	1,000	–	–	(1,000)	–	22-5-2018	£0.355
14-01-2009	5,000	–	–	(5,000)	–	13-1-2019	£0.235
17-07-2008	74,528	–	–	–	74,528	16-7-2018	£0.315
17-07-2008	75,472	–	–	–	75,472	16-7-2018	£0.05
08-04-2009	180,000	–	–	–	180,000	7-7-2019	£0.315
17-07-2008	50,000	–	–	–	50,000	16-7-2018	£0.315
10-11-2009	20,000	–	–	–	20,000	9-11-2019	£0.375
12-07-2010	–	20,000	–	–	20,000	11-7-2020	£0.30

25. SHARE BASED PAYMENTS (CONTINUED)

The Group operates a share option scheme for certain Directors and employees of the Group. Options are exercisable at a price defined by the individual option agreement. The vesting period varies according to the individual employment contract (between one and 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.

As at 30th April 2011 a total of 1,263,023 subscription rights had been issued to Directors and employees and remained outstanding. Members of the executive board hold share options as disclosed in the Directors' and remuneration reports.

The inputs into the Black-Scholes model are as follows:

Weighted Average share price	Stated Above
Expected volatility	40%
Expected life	10 years
Vesting periods	Varying between one and three years
Risk-free rate	4.5%
Expected dividends	Zero

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 the offices of Charles Stanley Securities, 25 Luke Street, London EC2A 4AR on Thursday 15th September 2011 at 1.30 p.m. (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 auditors for the year ended 30th April 2011.

2. To declare a final dividend of 1.2 pence per ordinary share for the year ended 30th April 2011.

3. To re-appoint the auditors, Wilkins Kennedy, as auditors of the Company until the conclusion of the next Annual General Meeting.

4. To authorise the Directors to set the auditors' remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions of which resolution 5 will be proposed as an ordinary resolution and resolutions 6 and 7 will be proposed as special resolutions:

5. **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 £182,804 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.

6. **SPECIAL RESOLUTION**

   THAT, subject to the passing of resolution 5, the Directors be and they are hereby empowered pursuant to section 551 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 5 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 £27,420 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.

7. **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 5p each in the Company provided that:

(a) the maximum number of ordinary shares which may be purchased is 1,096,825 (representing 10 per cent. of the Company's issued ordinary share capital as at 12th August 2011);

(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 (unless previously renewed, varied or revoked by the Company in general meeting); and

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

By Order of the Board

PRISM COSEC LIMITED
COMPANY SECRETARY
15th August 2011

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

Notes:

(a) A member entitled to attend and vote is entitled to appoint one or more proxies, who need not be members of the Company, to attend, speak and vote instead of him. To be valid, a Form of Proxy must be received, together with any power of attorney or other authority under which it is executed (or a duly certified copy of such power or authority), by the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 48 hours before the time fixed for the meeting. The completion and return of a Form of Proxy will not preclude a member from attending and voting at the Meeting in person.

(b) Pursuant to regulation 41 of the Uncertificated Regulations 2001, the Company specifies that only those shareholders registered on the register of members of the Company as at 6.00 p.m. on 13th September 2011 (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 maybe). In each case, changes to entries on the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

(c) 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 25 Luke Street, London EC2A 4AR at least 15 minutes prior to the commencement of, and during the continuance of, the Annual General Meeting.

(d) 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 Proxy Form you must specify the number of shares for which each proxy is appointed.

(e) 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.

(f) Explanatory notes in relation to the resolutions to be proposed at the Meeting are set out below.

BEST OF THE BEST PLC

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 auditors for the financial year ended 30th April 2011.

RESOLUTION 2: DECLARATION OF DIVIDEND

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

RESOLUTION 3: RE-APPOINTMENT OF AUDITORS

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

RESOLUTION 4: AUTHORITY TO SET THE AUDITORS' REMUNERATION

In accordance with standard practice, this resolution gives authority to the Directors to determine the remuneration to be paid to the auditors.

RESOLUTION 5: AUTHORITY TO ALLOT SHARES

Section 549 of the Companies Act 2006 provides, in relation to all companies, that the Directors may not allot shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company unless authorised to do so by the Company in general meeting or by its Articles of Association. Accordingly, this resolution seeks renewal, for a further period expiring at the earlier of the close of the next annual general meeting of the Company and fifteen months after the passing of the resolution, of the authority previously granted to the Directors at the last annual general meeting of the Company. This authority will relate to a total of 3,656,085 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 6 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 6: 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 £27,420, 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 7: 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 1st 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 16th September 2010 and would be limited to 1,096,825 ordinary shares, representing approximately 10 per cent. of the issued share capital at 12th August 2011. The Directors intend to seek renewal of this power at each Annual General Meeting. As of 12th August 2011 there were options outstanding over 1,263,023 shares, representing 11.51 per cent. of the Company's issued share capital. If the authority given by this resolution was to be fully used, this would represent 12.79 per cent. of the Company's issued share capital.

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