



**Annual Report
& Accounts 2013**



**Report of the Directors and
Consolidated Financial Statements
For The Year Ended 30 April 2013**

for

BEST OF THE BEST PLC

BEST OF THE BEST PLC
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For The Year Ended 30 April 2013

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BEST OF THE BEST PLC
Company Information
For The Year Ended 30 April 2013

DIRECTORS: W S Hindmarch
R C E Garton
M W Hindmarch, D.L.
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 LLP
Chartered Accountants
& Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

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

NOMINATED ADVISORS: Charles Stanley Securities
131 Finsbury Pavement
London
SW3 1HL

SOLICITORS: Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES

BEST OF THE BEST PLC
Financial Highlights
For The Year Ended 30 April 2013

Key Points:

- Revenue increased by 15.2 per cent. to £6.45 million (2012: £5.60 million)
- Profit before tax £0.12 million (2012: loss £0.18 million)
- Net Assets of £2.77 million, underpinned by cash balance of £1.95 million (2012: £1.10 million)
- Online revenues increased by 46.5 per cent. to £2.7 million representing 42.7 per cent. of total revenue, principally driven by the increased frequency of the competitions
- Like for like revenues at physical locations increased by 10.5 per cent.
- Successful launch of new “Win Any Car” format incorporating a broader range of price points

William Hindmarch, Chief Executive, said:

“It has been an encouraging year for the business, and the substantial changes we made over the period have helped increase revenues and restore profitability. Of particular note is the growth in online revenues, which now account for over 40 per cent. of the Group’s revenues.

During the period we made significant improvements to our core product, the Supercar Competition. This new competition style with its much wider choice of cars, price points and increased frequency has helped the online business in particular, which has recorded its highest ever levels of both revenue and transactions. The website has also been significantly developed and refreshed which has contributed to much improved traffic and conversion statistics.

The business saw strong cash generation in the period, and our balance sheet remains healthy with a cash balance of £1.95 million. We are optimistic about the future prospects of the Company and look forward to updating shareholders in due course.”

BEST OF THE BEST PLC
Chief Executive's Statement
For The Year Ended 30 April 2013

Chief Executive's Statement

It has been an encouraging year for the business, and the substantial changes we made over the period have helped increase revenues and restore profitability. Of particular note is the growth in online revenues, which now account for over 40 percent of the Group's revenues.

During the period we made significant improvements to our core product, the Supercar Competition. This new competition style with its much wider choice of cars, price points and increased frequency has helped the online business in particular, which has recorded its highest ever levels of both revenue and transactions. The website has also been significantly updated and refreshed which has contributed to much improved traffic and conversion statistics.

The airport business has traded well throughout the year, despite fairly static passenger numbers and an uncertain economic environment. Like for like offline sales increased by 10.5 per cent. compared to the prior period, and we are encouraged by the positive effects that the new competition structures and price points have had on both customer acquisition and repeat play.

Results

Revenue for the twelve months ended 30 April 2013 increased by 15.2 per cent. to £6.45 million (2012: £5.60 million). The Company recorded a profit before tax for the period of £0.12 million (2012 loss: £0.18 million).

The Company generated £0.96 million of operating cash flow and reports a net increase in cash of £0.84 million for the period, with cash balances at £1.95 million. Our Net Assets stand at £2.77 million which principally comprise cash, our stock of cars on display which are held at net realisable value of £0.50 million, and our 997 year leasehold office property valued at £0.46 million.

Following a recent VAT decision at the First-tier Tribunal concerning a company with similar activities in our sector, the Company has submitted a protective claim to recover overpaid VAT amounting to £2.20 million (exclusive of professional fees and expenses). At present this VAT litigation has not been concluded. Therefore, it is not certain that the Company will receive any repayment from HM Revenue & Customs. We will update shareholders as this matter progresses.

Dividend

The Board is recommending a final dividend of 1.0 pence per share (2012: 0.8 pence) for the full year ending 30 April 2013 subject to shareholder approval at the Annual General Meeting on 19 September 2013. The final dividend will be paid on 18 October 2013 to shareholders on the register on 20 September 2013.

Business at physical locations

The Company is currently trading from 8 airport sites and 2 sites in shopping centres. Our airport locations are Gatwick North, Stansted, Birmingham, Manchester Terminals 1 and 2, Edinburgh, Copenhagen and Dublin's Terminal 2. Our shopping centre locations are Westfield Shepherds Bush and Westfield Stratford.

The physical locations have traded solidly throughout the year, despite relatively static overall passenger and shopper numbers and the tough economic climate, and like for like revenues have increased by 10.5 per cent. compared to the same period in the prior year. Our smaller more lightweight format continues to be well received by landlords as it has increased the flexibility of our offer within the terminals. With lower levels of capital investment fewer cars, it has also significantly improved our return on capital employed at the physical locations.

The shortened competition cycle is important in attracting both new and returning customers to play, whilst the press and public relations coverage afforded by the increased number of supercar winners has been very positive. This is a trend we expect to continue.

BEST OF THE BEST PLC
Chief Executive's Statement
For The Year Ended 30 April 2013

Online Business

Online sales accounted for 42.7 per cent. of total revenue in the period and increased by 46.5 per cent. compared to the same period last year. Over the last 6 months, online sales accounted for 46.7 per cent. of total revenue. The changing sales mix and significant online gains experienced result from a combination of initiatives that have been implemented during the period.

The two principal drivers are the new 'Win any Car' concept and the shortening of the competition cycle to two weeks. The Win any Car concept now allows customers to choose from over 170 cars with ticket prices from £2.50 to £25.00 and includes nearly fifty automotive brands including a range of supercars, luxury SUV's, track cars and classic cars. This greater diversity of both product and price points is driving a much broader and more engaged player base. Furthermore, the halving of the competition cycle from four weeks to two means we are communicating more with players and the greater frequency has encouraged our online customers to enter more regularly which has boosted revenues.

We are currently working with a leading advertising and marketing business to undertake a strategic review of our online marketing activities, to help further improve online customer acquisition, user experience, channel optimization and product and brand recognition, the results of which we hope will further enhance the customer proposition.

Emphasis has also been placed on repeat players and we have had considerable success with our recently launched "Supercharged Club" which recognises loyal players and has been well received by our most active customers. We have also just launched a Direct Debit facility to reward our most loyal players, whilst maximizing their participation.

Unsurprisingly we are seeing a rapidly increasing number of people accessing our website via mobile devices – circa 40 per cent. of our emails are now opened on a mobile device. We will very shortly be launching a mobile optimized version of the site to make it easier for customers to play on mobiles and tablets. The decision to invest in our own internal IT capabilities and to build our mobile software in house is starting to pay dividends and will deliver much more flexible solutions over the longer term.

David Coulthard, (13 times F1 winner) has been signed up for a further year as our brand ambassador to promote the Company both at the physical sites and online. His presence combined with a newly contracted PR agency has significantly raised the profile of the Company and led to an increased number of articles in regional and national press. This has contributed to our highest ever number of visitors to the website in recent months.

Social media has continued to be an important channel for us. We regularly use our Facebook, Twitter and You Tube channels to communicate and interact with our customers but these channels are increasingly becoming an important acquisition channel for new players. Feefo our independent 'trip advisor' style review site has grown in popularity and with its 94 per cent. positive rating is an important factor in giving increased assurance and credibility to both new and existing customers.

Outlook

The business is profitable, cash generative and the balance sheet remains strong with a cash balance of £1.95 million, giving the Company a solid base from which to invest.

It has been a better year for the Company and our key focus will be the continued the development of the website and the online marketing to complement the airport and shopping centre businesses, and further drive growth in both revenues and profitability.

I look forward to updating shareholders on further progress in due course.

William Hindmarch
Chief Executive
13 June 2013

BEST OF THE BEST PLC
Report of the Directors
For The Year Ended 30 April 2013

The Directors present their report with the financial statements of the company and the Group for the year ended 30 April 2013.

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 £0.07 million (2012: loss of £0.12 million).

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 0.8 pence per share as recommended in the accounts to 30 April 2012.

The Board is recommending a final dividend payment of 1.0 pence per share for the full year ended 30 April 2013 subject to shareholder approval at the AGM on the 19 September 2013. A final dividend is covered 1.22 times by earnings per share and will be paid on 18 October 2013 to shareholders on the register on 20 September 2013.

The total distribution of dividends for the year ended 30 April 2013 will be £93,721.

DIRECTORS

The Directors during the year under review were:

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

The beneficial interests of the Directors holding office on 30 April 2013 in the issued share capital of the Company were as follows:

	<i>30 April 2013</i>	<i>30 April 2012</i>
Ordinary 5p shares		
W S Hindmarch	5,016,851	4,980,268
R C E Garton	647,596	623,449
M W Hindmarch	944,722	920,575
C Hargrave	36,773	12,626

BEST OF THE BEST PLC
Report of the Directors
For The Year Ended 30 April 2013

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:

	<i>Outstanding at beginning of year</i>	<i>Granted</i>	<i>Forfeited</i>	<i>Exercised in year</i>	<i>Outstanding at end of year</i>	<i>Exercise price £</i>	<i>Date first exercisable</i>	<i>Date of expiry</i>
R C E Garton	500,000	–	–	–	500,000	0.225	26-04-15	25-04-22
R C E Garton	–	154,528	–	–	154,528	0.210	21-09-15	20-09-22
R C E Garton	–	200,000	–	–	200,000	0.210	21-09-15	20-09-22
C Hargrave	90,000	–	–	–	90,000	0.225	26-04-15	25-04-22

At the 30 April 2013 the market price of the Company's shares was £0.218 (2012: £0.225). The maximum share price during the year was £0.218 (2012: £0.325) and the minimum price was £0.19 (2012: £0.16).

There were 354,528 share options granted to the Directors during the year which were outstanding as at 30 April 2013, together with the 590,000 granted during the previous year. Share options have been granted on both an approved and unapproved basis.

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 30 April 2013 were 18 days (2012: 30 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 30 April 2013

POLITICAL AND CHARITABLE CONTRIBUTIONS

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

<i>Donee</i>	<i>Contribution</i>
	<i>£</i>
Sparks	250.00
Children with Cancer	500.00
BBC Children in Need	250.00
Cancer Research UK	250.00
Comic Relief	250.00
Starlight	500.00
Brainwave	500.00
Great Ormond Street Childrens Hospital	500.00

SUBSTANTIAL SHAREHOLDERS

As at 13 June 2013 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 advised, in accordance with the Disclosure and Transparency Rules, of any further such interests.

<i>Name</i>	<i>Shareholding</i>	<i>Percentage</i>
Stancroft Trust Limited	782,647	8.35%
Rock Nominees Limited	572,195	6.11%
Octopus Investments Nominees	354,347	3.78%

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.

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.

BEST OF THE BEST PLC
Report of the Directors
For The Year Ended 30 April 2013

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 LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
W S Hindmarch
Director
13 June 2013

BEST OF THE BEST PLC
Corporate Governance Report
For The Year Ended 30 April 2013

PRINCIPLES OF CORPORATE GOVERNANCE

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

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 UK Corporate Governance Code (the Code). Under the rules of 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 as, due to the size of the business, full compliance would be both unwieldy and costly. 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. A schedule of regular matters to be addressed by the Board and its Committees is agreed on an annual basis.

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 39 – 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 11 years.

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2013

BOARD STRUCTURE (CONTINUED)

Rupert Garton, Age 38 – 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.

Michael Hindmarch, Age 73 – 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 60 – 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 £2.3 billion and a profit contribution c £650 million 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.

BEST OF THE BEST PLC
Corporate Governance Report (continued)
For The Year Ended 30 April 2013

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 Non-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. All Directors participate in the appointment of new Directors.

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 19 September 2013. 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 30 April 2013

REMUNERATION COMMITTEE

The Company has a remuneration committee which is constituted in accordance with the recommendations of the UK Corporate Governance 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 calibre, 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 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 2013, two of the Directors, Rupert Garton and Colin Hargrave, held options. Details and conditions of these options are detailed on page 6.

PENSION ARRANGEMENTS

During the year, the company provided £46,000 (2012: £2,000) in respect of Executive Director pension payments. At the year end, £nil (2012: £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
Directors' Remuneration Report (continued)
For The Year Ended 30 April 2013

DIRECTORS' EMOLUMENTS

	<i>Benefits in Kind</i>	<i>Salary</i>	<i>Bonus</i>	<i>Pension</i>	<i>Fees paid to Third parties</i>	<i>30 April 2013 Total</i>	<i>30 April 2012 Total</i>
	£	£	£	£	£	£	£
Rupert Garton	18,408	107,084	25,000	23,000	–	173,492	129,513
William Hindmarch	12,712	107,084	25,000	23,000	–	167,796	127,137
Michael Hindmarch	–	–	–	–	12,000	12,000	12,000
Colin Hargrave	1,661	19,347	–	–	–	21,008	24,260

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 354,528 share options granted to the Directors during the year which were outstanding as at 30 April 2013, together with the 590,000 granted during the previous year. Share options have been granted on both an approved and unapproved basis.

APPROVAL

The report was approved by the Board of Directors and authorised for issue on 13 June 2013 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 30 April 2013 on pages 16 to 37. 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 7, 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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 April 2013 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

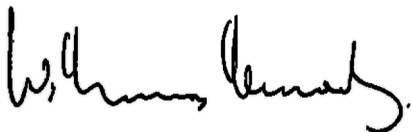
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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.



Daniel P Garside (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Chartered Accountants
& Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

13 June 2013

BEST OF THE BEST PLC
Consolidated Income Statement
For The Year Ended 30 April 2013

	<i>Notes</i>	<i>2013</i> £	<i>2012</i> £
CONTINUING OPERATIONS			
Revenue	2	6,450,310	5,598,632
Cost of sales		<u>(2,572,268)</u>	<u>(2,248,721)</u>
GROSS PROFIT		3,878,042	3,349,911
Administrative expenses		<u>(3,759,445)</u>	<u>(3,566,048)</u>
OPERATING PROFIT/(LOSS)		118,597	(216,137)
Finance income	4	<u>1,791</u>	<u>32,055</u>
PROFIT/(LOSS) BEFORE INCOME TAX	5	120,388	(184,083)
Income tax	6	<u>(43,690)</u>	<u>60,020</u>
PROFIT/(LOSS) FOR THE YEAR		<u>76,698</u>	<u>(124,063)</u>
Profit/(loss) attributable to:			
Owners of the Parent		<u>76,698</u>	<u>(124,063)</u>
Earnings per share expressed in pence per share:			
Basic	9	0.82	(1.17)
Diluted		<u>0.82</u>	<u>(1.17)</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Comprehensive Income
For The Year Ended 30 April 2013

	<i>2013</i>	<i>2012</i>
	<i>£</i>	<i>£</i>
PROFIT/(LOSS) FOR THE YEAR	76,698	(124,063)
OTHER COMPREHENSIVE INCOME		
Share repurchase agreement	—	(1,278,908)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>—</u>	<u>(1,278,908)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>76,698</u>	<u>(1,402,971)</u>
Total comprehensive income attributable to:		
Owners of the Parent	<u>76,698</u>	<u>(1,402,971)</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Financial Position
30 April 2013

	<i>Notes</i>	<i>2013</i> £	<i>2012</i> £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	736,510	950,100
Investments	11	–	–
Deferred tax	18	94,097	108,701
		<u>830,607</u>	<u>1,058,801</u>
CURRENT ASSETS			
Inventories	12	502,481	932,647
Trade and other receivables	13	282,993	293,690
Cash and cash equivalents	14	1,947,002	1,103,578
		<u>2,732,476</u>	<u>2,329,915</u>
TOTAL ASSETS		<u>3,563,083</u>	<u>3,388,716</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	15	468,602	468,602
Share premium	16	1,782,622	1,782,622
Capital redemption reserve	16	182,949	182,949
Other reserves	16	147,810	147,810
Retained earnings	16	182,532	180,811
TOTAL EQUITY		<u>2,764,515</u>	<u>2,762,794</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	864,787	704,900
Tax payable		(66,219)	(78,978)
		<u>798,568</u>	<u>625,922</u>
TOTAL LIABILITIES		<u>798,568</u>	<u>625,922</u>
TOTAL EQUITY AND LIABILITIES		<u>3,563,083</u>	<u>3,388,716</u>

The financial statements were approved by the Board of Directors on 13 June 2013 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
30 April 2013

	<i>Notes</i>	<i>2013</i> £	<i>2012</i> £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	736,510	950,100
Investments	11	12,585	12,585
Deferred tax	18	94,097	108,701
		843,192	1,071,386
CURRENT ASSETS			
Inventories	12	502,481	932,647
Trade and other receivables	13	205,518	218,271
Cash and cash equivalents	14	1,821,242	995,784
		2,529,241	2,146,702
TOTAL ASSETS		3,372,433	3,218,088
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	15	468,602	468,602
Share premium	16	1,782,622	1,782,622
Capital redemption reserve	16	182,949	182,949
Other reserves	16	147,810	147,810
Retained earnings	16	(67,727)	17,061
TOTAL EQUITY		2,514,256	2,599,044
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	955,305	728,303
Tax payable		(97,128)	(109,259)
		858,177	619,044
TOTAL LIABILITIES		858,177	619,044
TOTAL EQUITY AND LIABILITIES		3,372,433	3,218,088

The financial statements were approved by the Board of Directors on 13 June 2013 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 2013

	<i>Called up share capital £</i>	<i>Retained earnings £</i>	<i>Share premium £</i>
Balance at 1 May 2011	548,413	1,715,404	1,782,622
Changes in equity			
Issue of share capital	15,635	–	–
Redemption of share capital	(95,446)	–	–
Dividends	–	(131,619)	–
Total comprehensive income	–	(1,402,974)	–
Balance at 30 April 2012	<u>468,602</u>	<u>180,811</u>	<u>1,782,622</u>
Changes in equity			
Dividends	–	(74,977)	–
Total comprehensive income	–	76,698	–
Balance at 30 April 2013	<u>468,602</u>	<u>182,532</u>	<u>1,782,622</u>
	<i>Capital redemption reserve £</i>	<i>Other reserves £</i>	<i>Total equity £</i>
Balance at 1 May 2011	87,500	147,810	4,281,749
Changes in equity			
Issue of share capital	–	–	15,635
Redemption of share capital	–	–	(95,446)
Dividends	–	–	(131,619)
Total comprehensive income	95,449	–	(1,307,525)
Balance at 30 April 2012	<u>182,949</u>	<u>147,810</u>	<u>2,762,794</u>
Changes in equity			
Dividends	–	–	(74,977)
Total comprehensive income	–	–	76,698
Balance at 30 April 2013	<u>182,949</u>	<u>147,810</u>	<u>2,764,515</u>

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 2013

	<i>Called up share capital £</i>	<i>Retained earnings £</i>	<i>Share premium £</i>
Balance at 1 May 2011	548,413	1,715,326	1,782,622
Changes in equity			
Issue of share capital	15,635	–	–
Redemption of share capital	(95,446)	–	–
Dividends	–	(131,619)	–
Total comprehensive income	–	(1,566,646)	–
Balance at 30 April 2012	<u>468,602</u>	<u>17,061</u>	<u>1,782,622</u>
Changes in equity			
Dividends	–	(74,977)	–
Total comprehensive income	–	(9,811)	–
Balance at 30 April 2013	<u>468,602</u>	<u>(67,727)</u>	<u>1,782,622</u>
	<i>Capital redemption reserve £</i>	<i>Other reserves £</i>	<i>Total equity £</i>
Balance at 1 May 2011	87,500	147,810	4,281,671
Changes in equity			
Issue of share capital	–	–	15,635
Redemption of share capital	–	–	(95,446)
Dividends	–	–	(131,619)
Total comprehensive income	95,449	–	(1,471,197)
Balance at 30 April 2012	<u>182,949</u>	<u>147,810</u>	<u>2,599,044</u>
Changes in equity			
Dividends	–	–	(74,977)
Total comprehensive income	–	–	(9,811)
Balance at 30 April 2013	<u>182,949</u>	<u>147,810</u>	<u>2,514,256</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Consolidated Statement of Cash Flows
For The Year Ended 30 April 2013

	<i>Notes</i>	<i>2013</i> £	<i>2012</i> £
Cash flows from operating activities			
Cash generated from operations	1	978,460	249,198
Tax paid		(16,327)	(168,201)
Net cash from operating activities		<u>962,133</u>	<u>80,997</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(57,508)	(365,829)
Sale of tangible fixed assets		11,985	–
Impairment losses		–	7,220
Interest received		1,791	32,055
Net cash from investing activities		<u>(43,732)</u>	<u>(326,554)</u>
Cash flows from financing activities			
Share issue		–	(79,811)
Share Tender offer		–	(1,278,911)
Capital redemption		–	95,451
Equity dividends paid		(74,977)	(131,619)
Net cash from financing activities		<u>(74,977)</u>	<u>(1,394,890)</u>
Increase/(decrease) in cash and cash equivalents		843,424	(1,640,447)
Cash and cash equivalents at beginning of year	2	<u>1,103,578</u>	<u>2,744,025</u>
Cash and cash equivalents at end of year	2	<u><u>1,947,002</u></u>	<u><u>1,103,578</u></u>

The notes form part of these financial statements

BEST OF THE BEST PLC

Notes to the Consolidated Statement of Cash Flows For The Year Ended 30 April 2013

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	<i>2013</i>	<i>2012</i>
	£	£
Profit/(loss) before income tax	120,388	(184,083)
Depreciation charges	259,113	241,012
Finance income	(1,791)	(32,055)
	<u>377,710</u>	<u>24,874</u>
Decrease in inventories	430,166	342,318
Decrease/(increase) in trade and other receivables	10,697	(123,004)
Increase in trade and other payables	159,887	5,010
Cash generated from operations	<u>978,460</u>	<u>249,198</u>

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 statement of financial position amounts:

Year ended 30 April 2013

	<i>30 April 2013</i>	<i>1 May 2012</i>
	£	£
Cash and cash equivalents	<u>1,947,002</u>	<u>1,103,578</u>

Year ended 30 April 2012

	<i>30 April 2012</i>	<i>1 May 2011</i>
	£	£
Cash and cash equivalents	<u>1,103,578</u>	<u>2,744,025</u>

The notes form part of these financial statements

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements
For The Year Ended 30 April 2013

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.

Trade payables

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

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

1. ACCOUNTING POLICIES (CONTINUED)

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 statement of financial position 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.

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

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

	<i>2013</i>	<i>2012</i>
	£	£
Wages and salaries	2,641,351	2,408,253
Social security costs	34,383	34,800
	<u>2,675,734</u>	<u>2,443,053</u>

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

	<i>2013</i>	<i>2012</i>
Sales	43	44
Administration	14	12
Management	2	2
	<u>59</u>	<u>58</u>

	<i>2013</i>	<i>2012</i>
	£	£
Directors' remuneration	<u>374,296</u>	<u>292,910</u>

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

3. EMPLOYEES AND DIRECTORS (CONTINUED)

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

	<i>2013</i>	<i>2012</i>
	£	£
Money purchase schemes	2	2

Information regarding the highest paid Director is as follows:

	<i>2013</i>	<i>2012</i>
	£	£
	173,492	129,513

4. NET FINANCE INCOME

	<i>2013</i>	<i>2012</i>
	£	£
Finance income:		
Deposit account interest	1,791	32,055

5. PROFIT/(LOSS) BEFORE INCOME TAX

The profit before income tax (2012 – loss before income tax) is stated after charging/(crediting):

	<i>2013</i>	<i>2012</i>
	£	£
Cost of inventories recognised as expense	2,572,268	2,248,721
Depreciation – owned assets	259,113	241,011
Auditors' remuneration	24,000	22,000
Auditors' remuneration for non audit work	12,000	14,000
Foreign exchange differences	3,181	(708)

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

	<i>Year ended</i>	<i>Year ended</i>
	<i>30 April 2013</i>	<i>30 April 2012</i>
	£	£
Audit services		
– Statutory audit	24,000	22,000
– other services relating to such legislation	12,000	14,000
Tax services-compliance services	–	–
Other Services	–	–

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

6. INCOME TAX

Analysis of tax expense/(income)

	2013	2012
	£	£
Current tax:		
Tax	29,086	(93,302)
Under provision in prior year	–	17,542
Total current tax	<u>29,086</u>	<u>(75,760)</u>
Deferred tax	14,604	15,740
Total tax expense/(income) in consolidated income statement	<u>43,690</u>	<u>(60,020)</u>

Factors affecting the tax expense

The tax assessed for the year is higher (2012 – lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2013	2012
	£	£
Profit/(loss) on ordinary activities before income tax	<u>120,388</u>	<u>(184,083)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 – 26%)	24,078	(47,862)
Effects of:		
Expenses not deductible for tax purposes	51,822	65,960
Capital allowances in excess of depreciation assets	(43,109)	(80,589)
Loss carried back to previous period	–	(82,077)
(Over)/under provision in prior year	–	17,542
Tax on overseas group profit for the year	(3,705)	51,266
Deferred taxation	<u>14,604</u>	<u>15,740</u>
Tax expense/(income)	<u>43,690</u>	<u>(60,020)</u>

7. LOSS OF 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 loss for the financial year was £(9,811) (2012 – £(287,735)).

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

8. DIVIDENDS

During the year, the Company paid a dividend equating to 0.8 pence per share as recommended in the accounts to 30 April 2012.

The Board is recommending a final dividend payment of 1.0 pence per share for the full year ended 30 April 2013 subject to shareholder approval at the Annual General Meeting on the 19 September 2013. A final dividend is covered 1.22 times by earnings per share and will be paid on 18 October 2013 to shareholders on the register on 20 September 2013.

The total distribution of dividends for the year ended 30 April 2013 will be £93,721.

9. 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 is 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.

	<i>Earnings</i> £	<i>2013</i> <i>Weighted</i> <i>average</i> <i>number</i> <i>of</i> <i>shares</i>	<i>Per-share</i> <i>amount</i> <i>pence</i>
Basic EPS			
Earnings attributable to ordinary shareholders	76,698	9,372,100	0.82
Effect of dilutive securities	—	—	—
	<hr/>	<hr/>	<hr/>
Diluted EPS			
Adjusted earnings	76,698	9,372,100	0.82
	<hr/>	<hr/>	<hr/>
		<i>2012</i> <i>Weighted</i> <i>average</i> <i>number</i> <i>of</i> <i>shares</i>	<i>Per-share</i> <i>amount</i> <i>pence</i>
Basic EPS			
Earnings attributable to ordinary shareholders	(124,063)	10,633,032	(1.17)
Effect of dilutive securities	—	—	—
	<hr/>	<hr/>	<hr/>
Diluted EPS			
Adjusted earnings	(124,063)	10,633,032	(1.17)
	<hr/>	<hr/>	<hr/>

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

10. PROPERTY, PLANT AND EQUIPMENT

Group

	<i>Long leasehold £</i>	<i>Improvements to property £</i>	<i>Fixtures and fittings £</i>
COST			
At 1 May 2012	437,800	25,950	564,990
Additions	–	–	37,763
At 30 April 2013	<u>437,800</u>	<u>25,950</u>	<u>602,753</u>
DEPRECIATION			
At 1 May 2012	–	–	263,482
Charge for year	–	–	150,393
Eliminated on disposal	–	–	–
At 30 April 2013	<u>–</u>	<u>–</u>	<u>413,875</u>
NET BOOK VALUE			
At 30 April 2013	<u>437,800</u>	<u>25,950</u>	<u>188,878</u>
At 30 April 2012	<u>437,800</u>	<u>25,950</u>	<u>301,508</u>
	<i>Motor vehicles £</i>	<i>Computer equipment £</i>	<i>Totals £</i>
COST			
At 1 May 2012	102,740	483,676	1,615,156
Additions	12,915	6,830	57,508
Disposals	(45,452)	–	(45,452)
At 30 April 2013	<u>70,203</u>	<u>490,506</u>	<u>1,627,212</u>
DEPRECIATION			
At 1 May 2012	55,006	346,568	665,056
Charge for year	10,929	97,791	259,113
Eliminated on disposal	(33,467)	–	(33,467)
At 30 April 2013	<u>32,468</u>	<u>444,359</u>	<u>890,702</u>
NET BOOK VALUE			
At 30 April 2013	<u>37,735</u>	<u>46,147</u>	<u>736,510</u>
At 30 April 2012	<u>47,734</u>	<u>137,108</u>	<u>950,100</u>

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.

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company

	<i>Long leasehold £</i>	<i>Improvements to property £</i>	<i>Fixtures and fittings £</i>
COST			
At 1 May 2012	437,800	25,950	564,990
Additions	–	–	37,763
At 30 April 2013	<u>437,800</u>	<u>25,950</u>	<u>602,753</u>
DEPRECIATION			
At 1 May 2012	–	–	263,482
Charge for year	–	–	150,393
Eliminated on disposal	–	–	–
At 30 April 2013	<u>–</u>	<u>–</u>	<u>413,875</u>
NET BOOK VALUE			
At 30 April 2013	<u>437,800</u>	<u>25,950</u>	<u>188,878</u>
At 30 April 2012	<u>437,800</u>	<u>25,950</u>	<u>301,508</u>
	<i>Motor vehicles £</i>	<i>Computer equipment £</i>	<i>Totals £</i>
COST			
At 1 May 2012	102,740	483,676	1,615,156
Additions	12,915	6,830	57,508
Disposals	(45,452)	–	(45,452)
At 30 April 2013	<u>70,203</u>	<u>490,506</u>	<u>1,627,212</u>
DEPRECIATION			
At 1 May 2012	55,006	346,568	665,056
Charge for year	10,929	97,791	259,113
Eliminated on disposal	(33,467)	–	(33,467)
At 30 April 2013	<u>32,468</u>	<u>444,359</u>	<u>890,702</u>
NET BOOK VALUE			
At 30 April 2013	<u>37,735</u>	<u>46,147</u>	<u>736,510</u>
At 30 April 2012	<u>47,734</u>	<u>137,108</u>	<u>950,100</u>

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

11. INVESTMENTS

Company

	<i>Shares in Group undertakings £</i>
COST	
At 1 May 2012 and 30 April 2013	12,585
NET BOOK VALUE	
At 30 April 2013	12,585
At 30 April 2012	12,585

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

Subsidiaries

Best of the Best ApS

Country of incorporation: Denmark

Nature of business: Competition operator

Class of shares:

Ordinary

holding

100.00%

	<i>2013 £</i>	<i>2012 £</i>
Aggregate capital and reserves	100,965	84,652
Profit for the year	16,313	88,078

BOTB Ireland Limited

Country of incorporation: Republic of Ireland

Nature of business: Competition operator

Class of shares:

Ordinary

holding

100.00%

	<i>2013 £</i>	<i>2012 £</i>
Aggregate capital and reserves	161,878	91,684
Profit for the year	70,194	75,597

12. INVENTORIES

	<i>Group</i>		<i>Company</i>	
	<i>2013 £</i>	<i>2012 £</i>	<i>2013 £</i>	<i>2012 £</i>
Finished goods	502,481	932,647	502,481	932,647

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

13. TRADE AND OTHER RECEIVABLES

	<i>Group</i>		<i>Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£	£	£	£
Current:				
Trade debtors	–	27,138	–	27,138
Other debtors	282,993	266,552	205,518	191,133
	<u>282,993</u>	<u>293,690</u>	<u>205,518</u>	<u>218,271</u>

14. CASH AND CASH EQUIVALENTS

	<i>Group</i>		<i>Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£	£	£	£
Cash in hand	750	872	750	872
Bank accounts	1,946,252	1,102,706	1,820,492	994,912
	<u>1,947,002</u>	<u>1,103,578</u>	<u>1,821,242</u>	<u>995,784</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

<i>Number:</i>	<i>Class:</i>	<i>Nominal value:</i>	<i>2013</i>	<i>2012</i>
			£'000	£'000
9,372,100	Ordinary	£0.05	<u>469</u>	<u>469</u>

Capital redemption:

<i>Number:</i>	<i>Class:</i>	<i>Nominal value:</i>	<i>2013</i>	<i>2012</i>
			£'000	£'000
3,658,980	Ordinary	£0.05	<u>183</u>	<u>183</u>

16. RESERVES

Group

	<i>Retained earnings</i>	<i>Share premium</i>	<i>Capital redemption reserve</i>	<i>Other reserves</i>	<i>Totals</i>
	£	£	£	£	£
At 1 May 2012	180,811	1,782,622	182,949	147,810	2,294,192
Profit for the year	76,698				76,698
Dividends	(74,977)				(74,977)
At 30 April 2013	<u>182,532</u>	<u>1,782,622</u>	<u>182,949</u>	<u>147,810</u>	<u>2,295,913</u>

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

16. RESERVES (CONTINUED)

Company

	<i>Retained earnings</i> £	<i>Share premium</i> £	<i>Capital redemption reserve</i> £	<i>Other reserves</i> £	<i>Totals</i> £
At 1 May 2012	17,061	1,782,622	182,949	147,810	2,130,442
Deficit for the year	(9,811)	(9,811)			
Dividends	(74,977)	(74,977)			
At 30 April 2013	<u>(67,727)</u>	<u>1,782,622</u>	<u>182,949</u>	<u>147,810</u>	<u>2,045,654</u>

17. TRADE AND OTHER PAYABLES

	<i>Group</i>		<i>Company</i>	
	<i>2013</i> £	<i>2012</i> £	<i>2013</i> £	<i>2012</i> £
Current:				
Trade creditors	126,780	184,612	119,865	168,703
Amounts owed to Group undertakings	–	–	163,800	98,108
Social security and other taxes	248,171	166,734	200,201	121,326
Other creditors	489,836	353,554	471,439	340,166
	<u>864,787</u>	<u>704,900</u>	<u>955,305</u>	<u>728,303</u>

18. DEFERRED TAX

Group

	<i>2013</i> £	<i>2012</i> £
Balance at 1 May 2012	(108,701)	(124,441)
Movement in the year	14,604	15,740
Balance at 30 April 2013	<u>(94,097)</u>	<u>(108,701)</u>

Company

	<i>2013</i> £	<i>2012</i> £
Balance at 1 May 2012	(108,701)	(124,441)
Movement in the year	14,604	15,740
Balance at 30 April 2013	<u>(94,097)</u>	<u>(108,701)</u>

19. TRANSACTIONS WITH DIRECTORS

M W Hindmarch is a Non-Executive Director of Best of the Best Plc. During the year ended 30 April 2013 payments were made in respect of consultancy services received during the year from M W Hindmarch. These payments totalled £12,000 for the year (2012: £12,000) and the balance owed at the end of the year was £1,000 (2012: £1,000).

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

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

20. 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 53.53 per cent. share ownership at the balance sheet date.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	<i>2013</i>	<i>2012</i>
	<i>£</i>	<i>£</i>
Profit/(loss) for the financial year	76,698	(124,063)
Dividends	(74,977)	(131,619)
	<hr/>	<hr/>
	1,721	(255,682)
Issue of share capital	–	15,635
Redemption of share capital	–	(1,278,908)
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	1,721	(1,518,955)
Opening shareholders' funds	2,762,794	4,281,749
	<hr/>	<hr/>
Closing shareholders' funds	2,764,515	2,762,794

Company

	<i>2013</i>	<i>2012</i>
	<i>£</i>	<i>£</i>
Loss for the financial year	(9,811)	(287,735)
Dividends	(74,977)	(131,619)
	<hr/>	<hr/>
	(84,788)	(419,354)
Issue of share capital	–	15,635
redemption of share capital	–	(1,278,908)
	<hr/>	<hr/>
Net reduction of shareholders' funds	(84,788)	(1,682,627)
Opening shareholders' funds	2,599,044	4,281,671
	<hr/>	<hr/>
Closing shareholders' funds	2,514,256	2,599,044

BEST OF THE BEST PLC
Notes to the Consolidated Financial Statements (continued)
For The Year Ended 30 April 2013

22. SHARE BASED PAYMENTS

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

<i>Grant Date</i>	<i>Outstanding at 1st May 2012</i>	<i>Granted during the period</i>	<i>Exercised during the period</i>	<i>Forfeited during the period</i>	<i>Outstanding at 30 April 2013</i>	<i>Expiry Date</i>	<i>Weighted Ave. exercise price</i>
07-08-2006	79,365	–	–	–	79,365	07-08-2016	£0.63
07-08-2006	79,365	–	–	–	79,365	07-08-2016	£0.63
26-04-2012	500,000	–	–	–	500,000	25-04-2022	£0.225
26-04-2012	10,000	–	–	–	10,000	25-04-2022	£0.225
26-04-2012	25,000	–	–	–	25,000	25-04-2022	£0.225
26-04-2012	10,000	–	–	–	10,000	25-04-2022	£0.225
26-04-2012	2,000	–	–	–	2,000	25-04-2022	£0.225
26-04-2012	90,000	–	–	–	90,000	25-04-2022	£0.225
26-04-2012	20,000	–	–	–	20,000	25-04-2022	£0.225
21-09-2012	–	154,528	–	–	154,528	20-09-2022	£0.21
21-09-2012	–	200,000	–	–	200,000	20-09-2022	£0.21
21-09-2012	–	7,500	–	–	7,500	20-09-2022	£0.21
21-09-2012	–	10,000	–	–	10,000	20-09-2022	£0.21
21-09-2012	–	5,000	–	–	5,000	20-09-2022	£0.21
21-09-2012	–	10,000	–	–	10,000	20-09-2022	£0.21
21-09-2012	–	5,000	–	–	5,000	20-09-2022	£0.21

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 30 April 2013 a total of 1,207,758 subscription rights had been issued to Directors and employees and remained outstanding. Members of the 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 19 September 2013 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 30 April 2013.
2. To declare a final dividend of 1 pence per ordinary share for the year ended 30 April 2013.
3. To re-elect Michael Hindmarch as a Director of the Company.
4. To re-elect William Hindmarch as a Director of the Company.
5. To re-elect Colin Hargrave as a Director of the Company.
6. To re-elect Rupert Garton as a Director of the Company.
7. To re-appoint the auditors, Wilkins Kennedy, as auditors of the Company until the conclusion of the next Annual General Meeting.
8. To authorise the Directors to set the auditors’ remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions of which resolution 9 will be proposed as an ordinary resolution and resolutions 10 and 11 will be proposed as special resolutions:

9. ORDINARY RESOLUTION

THAT (in substitution for all subsisting authorities) the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “Act”) to allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company (“Rights”) up to an aggregate nominal amount of £156,201.67 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.

10. SPECIAL RESOLUTION

THAT, subject to the passing of resolution 9, 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 9 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 £23,430.25 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.

11. **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 937,210 (representing 10 per cent. of the Company's issued ordinary share capital as at 31 July 2013);
- (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
31 July 2013

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 17 September 2013 (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) 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. It is also in line with recommendations made by the Shareholder Voting Working Group and Paul Myners in 2004. Members and Proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.
- (d) Copies of all letters of appointment between the Company and its Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours, and will be available for inspection at 25 Luke Street, London EC2A 4AR at least 15 minutes prior to the commencement of, and during the continuance of, the Annual General Meeting.
- (e) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend and speak and vote at the meeting. A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. If you appoint more than one proxy, then on each Form of Proxy you must specify the number of shares for which each proxy is appointed.
- (f) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- (g) Explanatory notes in relation to the resolutions to be proposed at the Meeting are set out 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 30 April 2013.

RESOLUTION 2: DECLARATION OF DIVIDEND

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

RESOLUTIONS 3 to 6: RE-APPOINTMENT OF DIRECTORS

Under the Company's Articles of Association, Directors are obliged to retire and offer themselves up for re-election every three years. Biographical details of these Directors are set out on pages 9 & 10 of the Annual Report.

RESOLUTION 7: 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 8: 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 9: 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 3,124,033 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 10 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 10: DIS-APPLICATION OF PRE-EMPTION RIGHTS

If the Directors wish to allot any shares of the Company for cash in accordance with the authority granted at this year's annual general meeting these must generally be offered first to shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the interests of the Company for the Directors to be able to allot some shares for cash without having to offer them first to existing shareholders. In line with normal practice, this resolution, which will be proposed as a special resolution, seeks approval to renew the current authority to exclude the statutory pre-emption rights for issues of shares having a maximum aggregate nominal value of up to £23,430.25, 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 11: 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 20 September 2012 and would be limited to 937,210 ordinary shares, representing approximately 10 per cent. of the issued share capital at 31 July 2013. The Directors intend to seek renewal of this power at each Annual General Meeting. As of 31 July 2013 there were options outstanding over 1,207,758 shares, representing 12.89 per cent. of the Company’s issued share capital. If the authority given by this resolution was to be fully used, this would represent 14.32 per cent. of the Company’s issued share capital.

