# Topps Tiles Plc

Interim report and financial statements
for the 30 week period ended
28 April 2007

Registered number 3213782

# Officers and Professional Advisers

**DIRECTORS**

B F J Bester
A Liggett (Resigned 30 April 2007)
R Parker (Appointed 10 April 2007)
N D Ounstead
M T M Williams
A McIntosh
V Watson
M Jack

**SECRETARY**

R Parker

**REGISTERED OFFICE**

Thorpe Way
Grove Park
Enderby
Leicestershire LE19 1SU

**AUDITORS**

Deloitte & Touche LLP
PO Box 500
2 Hardman Street
Manchester M60 2AT

**BANKERS**

HSBC Bank Plc
56 Queen Street
Cardiff CF10 2PX

**SOLICITORS**

TLT Solicitors
1 Redcliffe Street
Bristol BS99 7JZ

Sinclair Abson Smith Lawyers
19 Market Place
Stockport SK1 1HA

Beachcroft Wansbroughs Solicitors
St Ann's House
St Ann Street, Manchester M2 7LP

# Profit and loss account

For the 30 week period ended 28 April 2007

| | Notes | 30 weeks Ended 28 April 2007 Unaudited £ |
|---|---|---|
| Operating expenses | | (1,569,720) |
| **Operating loss** | | (1,569,720) |
| Interest receivable | | 640 |
| Investment income | | 9,000,000 |
| **Profit for the financial period before taxation** | | 7,430,920 |
| Tax on profit on ordinary activities | 1 | 470,724 |
| **Profit for the financial period** | | 7,901,644 |
| Dividends | | (11,773,373) |
| **Retained loss for the financial period** | 3 | (3,871,729) |

All activity arose from continuing operations

The accompanying notes are an integral part of this profit and loss account

## Balance sheet
28 April 2007

| | Notes | 28 April 2007 Unaudited £ |
|---|---|---|
| **Fixed assets** | | |
| Investments | 2 | 4,397,247 |
| **Current assets** | | |
| Debtors due within one year | | 566,527 |
| Debtors due over one year | | 221,200,000 |
| Cash at bank and in hand | | 23,819,956 |
| | | 245,586,483 |
| **Creditors** Amounts falling due within one year | | (5,031,509) |
| **Net current assets** | | 240,554,974 |
| **Net assets** | | 244,952,221 |
| **Capital and reserves** | | |
| Called-up share capital | | 5,790,221 |
| Share premium | 3 | 1,308,291 |
| Capital redemption reserve | 3 | 20,254,240 |
| Other reserve | 3 | 6,200,000 |
| Share based payment reserve | 3 | 202,354 |
| Profit and loss account | 3 | 211,197,115 |
| **Equity shareholders' funds** | | 244,952,221 |

The financial statements were approved by the Board of Directors on 26 June 07 and signed on its behalf by

R Parker 26/06/07
Director

The accompanying notes are an integral part of this balance sheet

## Notes to the financial statements

For the 30 week period ended 28 April 2007

### 1 Tax on profit on ordinary activities

| | 30 weeks Ended 28 April 2007 £ |
|---|---|
| **Current tax** | |
| UK Corporation Tax | (470,724) |
| **Total tax on profit on ordinary activities** | (470,724) |

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

| | 30 weeks Ended 28 April 2007 £ |
|---|---|
| **Profit on ordinary activities before tax** | 7,430,920 |
| Tax on profit on ordinary activities of UK corporation tax rate at 30% | 2,229,276 |
| *Effects of* | |
| Permanent differences | (2,700,000) |
| **Current tax credit for period** | (470,724) |

The company earns its profits primarily in the UK, therefore the tax rate used on the profit on ordinary activities is the standard rate for UK corporation tax, currently 30%

### 2 Fixed asset investments

| | £ |
|---|---|
| **Cost and net book value** | |
| Subsidiary undertakings | |
| Beginning of period | 3,227,486 |
| Additions | 1,169,761 |
| End of period | 4,397,247 |

On the 2nd October 2006, the company purchased the remaining 50% shareholding in Topps Tiles Holdings BV for a total consideration of £1,169,761 made up of cash of £522,261 and 250,000 Topps Tiles Plc shares with a market value on that date of £647,500

**3 Reserves**

| | Share capital £ | Share premium £ | Capital redemption reserve £ | Other reserve £ | Share based payment reserve £ | Profit and loss account £ | Total £ |
|---|---|---|---|---|---|---|---|
| At 30 September 2006 | 5,773,704 | 531,377 | 20,254,240 | 6,200,000 | 166,322 | 215,068,844 | 247,994,487 |
| Issue of new shares | 16,517 | - | - | - | - | - | 16,517 |
| Premium on issue of new shares | - | 776,914 | - | - | - | - | 776,914 |
| Share based payment reserve movement | - | - | - | - | 36,032 | - | 36,032 |
| Retained loss for the period | - | - | - | - | - | (3,871,729) | (3,871,729) |
| At 28 April 2007 | 5,790,221 | 1,308,291 | 20,254,240 | 6,200,000 | 202,354 | 211,197,115 | 244,952,221 |

The other reserve comprises an unrealised gain arising on the disposal of certain trademarks to a subsidiary company

The Directors consider £203,105,000 of the profit and loss account reserves not to be distributable at 28 April 2007 due to them arising on an unrealised gain on the disposal of subsidiary companies