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Topps Tiles

ANNUAL REPORT AND FINANCIAL STATEMENTS 2011

GRAPHIC REMOVED

GREAT CHOICE. GREAT VALUE. GREAT SERVICE.

INTRODUCTION

"WITH VERY CHALLENGING TRADING CONDITIONS PERSISTING THROUGHOUT THE SECOND HALF OF OUR FINANCIAL PERIOD, OUR FOCUS HAS BEEN ON **STRENGTHENING OUR MARKET LEADING POSITION.** WE FURTHER UPGRADED AND EXPANDED OUR STORE ESTATE, CONTINUED THE EVOLUTION OF THE TOPPS TILES OFFER AND SUPPORTED THIS WITH **NEW MARKETING INITIATIVES** IN-STORE, ON TELEVISION AND ONLINE. IN ADDITION, WE MADE SOME **SIGNIFICANT INFRASTRUCTURE INVESTMENTS** ACROSS THE BUSINESS WHICH WILL BENEFIT OUR FUTURE PERFORMANCE."

MATTHEW WILLIAMS
CHIEF EXECUTIVE OFFICER

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THE YEAR IN BRIEF

£175.5m
Group revenue
(53 weeks ended 2 October 2010: £182.4m)

£18.2m
Adjusted operating profit[1]
(53 weeks ended 2 October 2010: £21.1m)

-2.0%
Like for like revenue
(53 weeks ended 2 October 2010: +1.7%)

£13.9m
Adjusted profit before tax[2]
(53 weeks ended 2 October 2010: £16.3m)

59.6%
Gross margin
(53 weeks ended 2 October 2010: 58.7%)

5.50p
Adjusted earnings per share[3]
(53 weeks ended 2 October 2010: 6.18p)

£14.0m
Operating profit
(53 weeks ended 2 October 2010: £19.9m)

0.6p
Final dividend
(53 weeks ended 2 October 2010: 1.0p)

£7.9m
Profit before tax
(53 weeks ended 2 October 2010: £12.4m)

1.1p
Total dividend
(53 weeks ended 2 October 2010: 1.0p)

3.04p
Basic earnings per share
(53 weeks ended 2 October 2010: 5.37p)

[1] 2011 adjusted operating profit is adjusted for exceptional items being the impairment of plant, property and equipment of £1.1 million (2010: £0.8 million), an inventory charge of £1.3 million (2010: £nil) and an increase in property related provisions of £1.9 million (2010: £0.4 million)

[2] 2011 adjusted profit before tax is adjusted for the effect of exceptional items above plus
– write off of remaining 2006 loan fees of £0.2 million (2010: £nil)
– property disposal gain of £nil (2010: £0.1 million)
– £1.6 million (non cash) charge relating to the interest rate derivatives that the Group has in place (per IAS 39) (2010: £2.8 million)

[3] Adjusted for the post tax effect of exceptional items highlighted above

Please note this report has been prepared for the 52 weeks ended 1 October 2011 and the comparative period was prepared for the 53 weeks ended 2 October 2010. With the exception of the Group like for like revenue measure which is comparable, the reported figures are presented on this basis and are not entirely comparable. The impact of the additional week in 2010 was to increase revenue by £3.6 million and operating profit by £0.4 million. Like for like revenues are defined as sales from stores that have been trading for more than 52 weeks

OUR STRATEGY

2

THE TOPPS' STRATEGY IS FOCUSED ON DELIVERING OUTSTANDING VALUE TO OUR CUSTOMERS TO ENSURE THEY ALWAYS "RETURN AND RECOMMEND" THIS HAS ENABLED US TO INCREASE OUR COMPETITIVE ADVANTAGE, BY FURTHER INCREASING MARKET SHARE, BUILT UPON THE STRONG FOUNDATIONS OF **CUSTOMER SERVICE, PRODUCT OFFER** AND **LOCATIONAL CONVENIENCE.**

GRAPHICS REMOVED

CUSTOMER SERVICE

Customer service remains our number one priority and it is our policy to be honest, helpful and knowledgeable but never pushy We invest extensively in training to ensure our staff have the best product knowledge in the industry We mystery shop the customer experience in all our stores every month and encourage all customers to complete a satisfaction survey

PRODUCT OFFER

As a specialist we are able to offer a huge range of products with many of them in stock and available to take away Many of our key lines are imported directly from factories all over the world which ensures that we can offer the very latest tastes and trends to our customers, often on an exclusive basis

LOCATIONAL CONVENIENCE

We have over 300 locations nationwide in easily accessible highly visible locations, all with customer parking, thereby ensuring that the majority of the UK population have a store near them In addition our website allows customers to review our range in advance, either purchasing directly online or visiting a store to discuss their project and benefit from our exceptional customer service

OUTSTANDING VALUE

When these three key elements of our business are combined we believe we offer outstanding value Our existing customers satisfaction surveys are the best possible validation of this and their recommendations are an important source of future growth for the business Over the past year, 88 1% of our customers have told us that they would recommend us to friends and family, something we are incredibly proud of

CHAIRMAN'S STATEMENT

GRAPHIC REMOVED

"TOPPS HAS MAINTAINED ITS POSITION AS BRITAIN'S NUMBER ONE TILE RETAILER BY GIVING ITS CUSTOMERS INSPIRATION FOR THEIR HOME IMPROVEMENT PROJECTS, OUTSTANDING VALUE FOR MONEY AND EXCEPTIONAL LEVELS OF SERVICE."

Michael Jack – Chairman

OUR BUSINESS

Our expectation for the year was that it would again be tough for retailers in our sector and this proved to be the case. Nevertheless, we were encouraged by our first half performance which saw overall revenues grow by 1.?% on a like-for-like basis. However, as we progressed through the second half the combined effects of a deteriorating economic outlook, stagnation in the housing market and falls in domestic purchasing power further undermined consumer confidence. Inevitably this has had a negative impact on our business and like-for-like revenues were down 2.0%. Total revenue for the financial period was £175.5 million with adjusted profit before tax* of £13.9 million, down from £16.3 million in the prior period. Notwithstanding this difficult trading backdrop our gross margin remained robust at 57.6% (2010: 58.7%).

In our previous Annual Report we committed ourselves to prudent cost management, further investment in key infrastructure and a targeted growth in our store estate. Good progress has been made against all of these objectives, enabling the Group to:

- Grow the store estate to 320 by the period end, up from 312
- Convert five Tile Clearing House sites to the more profitable Topps format
- Complete our new warehouse, enabling a longer term shift towards more direct sourcing, thereby enhancing margins
- Commence the implementation of a new IT system
- Build greater awareness of the Topps brand through national TV campaigns

OUR PEOPLE AND THEIR CONTRIBUTION

A keen focus on the demands of the customer is at the heart of any successful retail business. Feedback from our rigorous "mystery shop" monitoring has confirmed that Topps is now in the top 10% of retailers in Europe when it comes to levels of customer service. This result validates our policy of continuous focus on the provision of staff training. Such a result could not have been achieved without the hard work and commitment of everyone who works at Topps, either in store or as part of our support functions. Our staff have also demonstrated their community spirit through their unerring support of the Help for Heroes campaign. On behalf of the Board I would like to thank them all for their remarkable contribution to the business and the wider community across the entire year.

CORPORATE GOVERNANCE

This year [illegible] our Chairman since 2008 [illegible] co-founder of the business, brought his time with Topps to a close. After [illegible] years of dedicated commitment to the business, he announced in May that he wished to pursue his other business interests. Stuart Williams, co-founder and Company President has also announced his intention to conclude his formal involvement with the Group. Together Stuart and Barry formed a partnership which helped to take Topps from a private business with just a few stores to today's publicly quoted enterprise with 321 outlets nationally. We owe both of them [illegible] for all they have done to help develop Topps as Britain's number one tile retailer.

The Board has agreed [illegible] to recruit additional independent Non Executive Directors to bring the Board into line with corporate governance best practice. This process is well advanced and we expect to be in a position to make an announcement early in 2012.

CHAIRMAN'S STATEMENT
CONTINUED

Our new Sage Metro brings this classic brick shaped ceramic up to date with an on-trend colour palette.

GRAPHIC REMOVED

Metro

The satin finish of Chic gives a handmade appearance, a perfect choice for adding character into room design.

GRAPHIC REMOVED

Chic

DIVIDEND

Last year we announced the resumption of dividend payments. Although trading has been tough in this financial period, prudent financial management has enabled the Board to recommend to shareholders a final dividend of 0.6p per share. This will cost £1.1 million. Subject to approval at the Annual General Meeting, the dividend will be payable on 31 January 2012 to all shareholders on the register as at 30 December 2011. This brings the total dividend for the year to 1.1p per share (2010: 1.0p per share), an increase of 10%.

OUR FUTURE

Looking ahead, we recognise that economic conditions will remain difficult in 2012, with consumer budgets again under pressure. However, we will remain focused on maintaining our market leading position, safeguarding our margins and looking at further ways in which cost can be taken out of the business.

At store level our product presentation will be enhanced to enable us to continue the theme of inspiring customers' home improvement plans. We will also invest in staff training and development to ensure a continuity of well [illegible] trained to deliver Topps' outstanding customer service. Our online presence will be developed so that customers can more easily choose the tile that is just right for them. We will also continue to look for opportunities to open a limited number of new stores in those parts of the country where we are under represented. All of these initiatives will be supported by sustained marketing spend, with improved targeting to ensure that our message of great prices, unparalleled product ranges and superb service is communicated to both our retail and trade customers alike.

Michael Jack
Chairman
28 November 2011

£13.9m
Adjusted profit before tax[2]
(53 weeks ended 2 October 2010: £16.3m)

1.1p
Total dividend
(53 weeks ended 2 October 2010: 1.0p)

[2] As explained on page 1

CHIEF EXECUTIVE'S STATEMENT

GRAPHIC REMOVED

Matthew Williams – Chief Executive Officer

"LOOKING AHEAD, WE EXPECT ECONOMIC CONDITIONS WILL REMAIN DIFFICULT IN 2012, WITH CONSUMER BUDGETS AGAIN UNDER PRESSURE. OUR RESPONSE WILL BE TO TAKE FURTHER COST OUT OF THE BUSINESS, GROW MARGIN AND MAXIMISE SALES OPPORTUNITIES, WHILE MAKING OPERATIONAL IMPROVEMENTS THAT WILL POSITION THE BUSINESS FOR FUTURE GROWTH AS ECONOMIC CONDITIONS IMPROVE."

Our focus during the period has been on strengthening our market leading position by continuing to deliver outstanding service and excellent value, high quality products to our customers. We further upgraded and expanded our store estate, continued the evolution of the Topps Tiles offer and supported this with new marketing initiatives in store, on television and online. In addition, we made some significant infrastructure investments across the business, which will benefit our future performance.

Prudent management of all costs remained a key focus. In addition we also reviewed a number of our retail processes to both further improve our proposition to customers and enhance financial performance.

The economic environment has continued to be challenging and, in particular, we saw a slowing in customer numbers during [illegible] financial period. That said, the business remains financially well positioned and the strong operational progress made during the year will enable us to continue to progress our growth plans.

THE MARKET

Topps has seen its position as the UK's leading tile retailer strengthen further during the period, with our share of the non-contract tile market growing to 26% (2010: 25%) (source: MBD). Our unwavering focus on offering our customers outstanding service and value enabled the Group to once again outperform the market.

Tile consumption in the UK continues to be low in comparison to the rest of Europe (roughly one third of the demand experienced in Northern Europe, source: MBD). However long-term growth, based on projections of an increase in housing stock and consumer usage of tiles, remains attractive. Against this background we believe there is potential for up to 400 Topps Tiles stores in the UK.

STORE DEVELOPMENT AND EXPANSION

With a continuing backdrop of challenging trading conditions, our focus has been on optimising returns from the existing store estate [illegible] stores selectively and [illegible] individual stores where this is supported by the local [illegible] opportunity.

Over recent years our store expansion strategy was realigned to reflect the deterioration in the economic environment. In the 2009/10 financial period we returned to growth in store numbers and this activity accelerated in the period under review. In the last 12 months we opened 15 new stores and closed seven stores (of which three were relocations), resulting in a net increase of eight stores and completing the financial period with 320 stores. New store openings have performed well and we are very satisfied with the returns [illegible]. In the year ahead we have plans in place to increase the size of the business by approximately five new stores.

We have continued with our programme of converting Tile Clearing House stores into the more profitable Topps Tiles format and have completed five in the financial period. Trading results from these conversions have been pleasing and a further 15 are planned for the year ahead. This will leave 16 Tile Clearing House stores which will function as clearance units for the Topps stores.

Our improved and expanded website was relaunched during the period. The response has been very encouraging, with record numbers of people visiting the site and staying online for longer periods than ever. [illegible] our online presence is now an increasingly important factor in driving footfall as a growing number of customers undertake the research phase of their project online before visiting our stores. To help them with this process we have introduced more inspirational room set photography, a greater variety of design ideas and a completely new market-leading interactive "visualiser". This enables customers to choose from our extensive range of wall and floor tiles and model them in a variety of different room settings.

CHIEF EXECUTIVE'S STATEMENT
CONTINUED

Latest inkjet technologies enhance our range of stone-effect tiles

GRAPHIC REMOVED

Marfil

Representing the latest in our large format tiles, this stylish range uses inkjet technologies to create a distinctive marble effect

GRAPHIC REMOVED

Burdiglio

We have also improved the site navigation and check-out procedures as well as updating the visual presentation to mirror the latest in-store experience. While we expect the primary role of the website to remain as a customer research tool, it is also playing a growing role as a direct sales channel, with online revenues now representing around 1.5% of sales (2010: 1%). We expect this to continue to grow and play an ever increasing role in our customer offer.

INFRASTRUCTURE

During the period we completed the construction of our second warehousing facility at our Leicestershire headquarters at a cost of c.£3 million. This warehouse is now fully operational and will form a key part of our logistics strategy over the coming years, giving us the operational capacity for up to 400 stores. In particular the additional capacity will allow us to source more products direct from the manufacturer, decreasing the proportion sourced via third party distributors and delivering a gross margin benefit.

During the next financial period we will be implementing a new [illegible] information technology system [illegible] the majority of the [illegible] in the second half [illegible] system, which will [illegible] greater functionality [illegible] range [illegible] will be a key enabler [illegible] number of [illegible] and customer initiatives. The total cost of the system implementation will be approximately £1 million, the majority of which has been spent in this financial period.

CUSTOMER SERVICE

As the UK's leading tile specialist, the provision of exceptional levels of customer service is a key differentiator of the Topps Tiles brand.

Over the course of the last year we have changed the way we measure customer satisfaction and adopted the Net Promoter Scoring system. The score is calculated based on customers' feedback to the question of how likely they are to recommend Topps Tiles to friends or colleagues. The scores are based on a numerical scale from 0–10 which allows customers to be split into promoters (9–10), passives (7–8) and detractors (0–6). The final score is based on the percentage of promoters less the percentage of detractors, thereby creating a possible range of -100% to +100%. Over the financial period we have scored 88.1% against this measure and consider this a very clear endorsement of our customer service ethic. The measure used for 2010 is not directly comparable.

MARKETING, ADVERTISING AND SPONSORSHIP

The evolution of the Topps Tiles brand continued during the period [illegible] emphasis [illegible] [illegible] our traditional customer [illegible]. Our product brochures and in-store merchandising have been repositioned to reflect customers' increased focus on style as the principal driver in their purchase decision. This approach also provides consistency with our improved consumer website. Greater emphasis has also been given to the breadth of our ranges with a greater focus on being able to attract high-end customers, as well as retaining those attracted by our traditional value message.

£175.5m

Group revenue
(53 weeks ended 2 October 2010: £182.4m)

£18.2m

Adjusted operations profit[1]
(53 weeks ended 2 October 2010: £21.1m)

[1] As explained on page 1

Our charming range of crackle glaze tiles introduces Vintage Style to our brand, perfect for kitchens and bathrooms

GRAPHIC REMOVED

Chic Craquele

Our new and exclusive Matrix brand offers a multitude of colours and tones in classic proportions.

GRAPHIC REMOVED

Matrix Botanic

MARKETING, ADVERTISING AND SPONSORSHIP (CONTINUED)

Over the course of the last financial period we increased our level of marketing expenditure by approximately £1 million in order to drive footfall and increase our market share. Television advertising and sponsorship has proved to be the most effective way to build consumer awareness of the Topps brand. In the early part of the period we ran a national weather sponsorship campaign with ITV and subsequent TV campaigns across a variety of national terrestrial and digital channels have also been successful in driving store footfall. To complement this we will continue to communicate the aspirational range through home interest magazines and PR. We are planning to sustain a similar level of marketing expenditure in the year ahead. A trade focused campaign will run in parallel with the consumer campaign, in line with our strategy of securing a greater proportion of trade project spend.

COMMUNITY

Topps's commitment to its local communities through sponsorship and charitable activity remains strong. We aim to make positive contributions to those communities served by our stores, working closely with them to promote our primary aim of being a "good neighbour".

We currently sponsor over 300 youth football teams nationwide, providing the teams with support, new kits and equipment.

Our work for the charity Help for Heroes, which we have been supporting since 2008, has gone from strength to strength and we have already helped to raise over £160,000 for this very worthy cause. We also work with the British Association of Modern Mosaic (BAMM), sponsoring two national competitions and supporting the promotion of mosaic art in schools and community groups countrywide.

−2.0%

Like for like revenue
(53 weeks ended 2 October 2010 +1.7%)

STAFF DEVELOPMENT

Our people are fundamental to fulfilling our key objective of delivering excellent customer service and this remains of importance to us. We continue to invest in their professional development through a sophisticated in-store e-learning system, which is developed and administered in-house, providing courses and regular updates. During the year we rolled out new programmes to educate all store staff with the product and technical knowledge to support our "customer inspiration" agenda, as well as specialist sales skills training. The initial results from this programme have been encouraging, with a greater consistency of standards already evident across the store estate.

All our staff are incentivised with competitive benefit packages and performance based rewards, and we encourage internal promotion. We anticipate that staffing levels will increase in line with the progressive expansion of the store base.

CURRENT TRADING AND OUTLOOK

In the first seven weeks of the new financial period Group revenues, which are on a like-for-like basis, decreased by 6.9%.

Looking ahead, we expect economic conditions will remain difficult in 2012, with domestic budgets again under pressure. Our response will be to take further cost out of the business, grow margin and maximise sales opportunities, while making operational improvements that will position the business for future growth as economic conditions improve.

Matthew Williams
Chief Executive Officer

28 November 2011

88.1%

Net Promoter Score
(53 weeks ended 2 October 2010 n/a)

GRAPHIC
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Great Ch

TOPPS TILES FEATURES AN **UNRIVALLED RANGE** OF PRODUCTS WITH THE LATEST DESIGNS SOURCED FROM AROUND THE WORLD WE CATER FOR EVERY BUDGET, IN ANY STYLE, FOR ANY ROOM AND IN ANY MATERIAL, FROM THE PERIOD BEAUTY OF NATURAL STONE AND REAL WOOD TO THE VERSATILITY OF MOSAICS AND THE CONTEMPORARY FEEL OF GLASS AT TOPPS TILES WE REALLY DO HAVE **TILES FOR EVERYONE.**

Meeting our customers' desires to be inspired our new style guides help customers identify looks and designs to suit their living space

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oice

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Vibia

GRAPHIC REMOVED

Monaco Mosaic

Complementing our fantastic range of mosaics, this unique glass and marble mix is available in Pearl and Graphite.

Henley Warm

The new Henley range, using inject technologies to replicate traditional Encaustic design, is one of our most exciting new additions

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GRAPHIC REMOVED

Matthew Williams – Chief Executive Officer

Rob Parker – Finance Director

Cautionary statement

This Business Review, Chairman's statement and Chief Executive's statement have been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. These reports should not be relied on by any other party or for any other purpose.

The Business Review, Chairman's statement and Chief Executive's statement contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The Directors, in preparing this Business Review, have complied with section 417 of the Companies Act 2006. This Business Review has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Topps Tiles Plc and its subsidiary undertakings when viewed as a whole.

NATURE, OBJECTIVES AND STRATEGIES OF THE BUSINESS

Topps Tiles is a specialist tile and wood flooring retailer with 320 outlets across the UK and is the country's largest tile specialist, with a 26% market share. The Group operates two retail brands: Topps Tiles and Tile Clearing House (TCH). Topps is the UK's leading branded tile retailer with 289 stores offering wall and floor tiles, natural stone, laminate, solid wood flooring and a comprehensive range of associated products such as underfloor heating, adhesives and grouts. TCH is a discount retail format comprising a further 31 stores with a mini warehouse design and a "when it's gone it's gone" style customer offer.

The Group strategy is focused on delivering outstanding value and service to our customers. The key elements of this strategy are the friendly, professional and expert advice of our staff, store locations, products and network.

Key operational objectives

- Deliver outstanding value for money and service to ensure customers always return and recommend
- Maintain and extend our market leading position
- Manage the store estate prudently, opening new stores where opportunities arise that complement the existing estate and review of the existing store portfolio to ensure we are keeping track with consumer shopping patterns and our cost base is as efficient as possible
- Continued evolution of the in-store customer offer to maintain our competitive advantage
- Further development of the ecommerce offering to maintain leading edge customer service

"OUR PRIMARY OBJECTIVES CONTINUE TO BE FOCUSED ON OPTIMISING RETURNS FROM THE EXISTING ESTATE, CAREFUL MANAGEMENT OF OUR COST BASE AND IMPROVING OUR FINANCIAL FLEXIBILITY OUR MOST RECENT TRADING PERIOD DEMONSTRATED THE FRAGILITY OF UK CONSUMER CONFIDENCE AND PROVIDES FURTHER RE-ENFORCEMENT THAT OUR CURRENT STRATEGY AND OBJECTIVES ARE APPROPRIATE FOR THE BUSINESS AT THE PRESENT TIME"

Key financial objectives

- Primary focus on increasing revenues and cash generation maintaining tight cost control and optimising gross margins
- Maximising earnings per share and shareholder returns including [illegible] dividend policy
- Ongoing supplier reviews and benchmarking of non-stock suppliers
- Managing the Group's exposure to fluctuations in foreign exchange rates
- Maintaining a capital structure which enables an appropriate balance of financial flexibility and capital efficiency

Progress against these objectives is discussed throughout this report and where appropriate measures are utilised these are included in the Key Performance Indicators section

OPERATIONAL REVIEW

Our primary objectives continue to be focused on optimising returns from the existing estate careful management of our cost base and improving our financial flexibility Our most recent trading period demonstrated the fragility of UK consumer confidence and provides further reinforcement that our current strategy and objectives are appropriate for the business at the present time

Over the financial period we have maintained our focus on cost control and have only seen increases in costs resulting from inflationary factors or where we have decided that additional investment was appropriate such as increased marketing expenditure Further detail of expenditure is provided within the Financial Review

KEY PERFORMANCE INDICATORS ("KPIs")

The Directors monitor a number of financial and non-financial metrics and KPIs for the Group and by individual store including

Financial KPIs
52 weeks to 1 October 2011

–2.0%

Like-for-like sales growth year-on-year
(53 weeks to 2 October 2010 +1 7%)

–3.8%

Total sales growth year on year
(53 weeks to 2 October 2010 +7 0%)

59.6%

Gross margin
(53 weeks to 2 October 2010 58 7%)

£13.9m

Adjusted PBT*
(53 weeks to 2 October 2010 £16 3m)

£50.9m

Net debt
(53 weeks to 2 October 2010 £49 1m)

123

Stock days
(53 weeks to 2 October 2010 121)

* Adjusted PBT as defined on page 1

BUSINESS REVIEW
CONTINUED

Our new Buxton range offers customers a multitude of floor design possibilities and satisfies the growing trend for statement floors

GRAPHIC
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Buxton

Our new Victorian inspired mosaic collection offers affordable period style

GRAPHIC
REMOVED

Victorian Mosaic

Non-financial KPIs

26%

Market share
(53 weeks to 2 October 2010 25%)

88.1%

Net Promoter Score
(53 weeks to 2 October 2010 n/a)

n/a

Customer satisfaction
(53 weeks to 2 October 2010 97.6%)

320

Number of stores
(53 weeks to 2 October 2010 312)

Note – Net Promoter Score is a new measure we have adopted in favour of customer satisfaction ratings. The score is calculated based on customers' feedback to the question of how likely they are to recommend Topps Tiles to friends or colleagues. The scores are based on a numerical scale from 0–10 which allows customers to be split into promoters (9–10), passives (7–8) and detractors (0–6). The final score is based on the percentage of promoters less the percentage of detractors.

The Directors receive regular information on these and other metrics for the Group as a whole. This information is reviewed and updated as the Directors feel appropriate.

RISKS AND UNCERTAINTIES

The Board conducts a continuing review of key risks and uncertainties. The Board's primary focus when reviewing these risks and uncertainties over the last 12 months has included:

- The continuing challenges of the UK economy and the subsequent business impact
- Balancing our longer term investment needs against the uncertain economic outlook
- Ensuring that the Group's capital structure remains appropriate and that future funding requirements are accessible

UK economy

The most recent trading period has [illegible] demonstrated the fragility of UK consumer confidence which [illegible] has had a [illegible] on our sales performance. [illegible] we demonstrated [illegible] encouraging trend of steady growth in like-for-like sales. During the second half, and in particular the final quarter, we saw a significant reduction in revenues when compared to the prior period. Over the financial period as a whole we have seen a sales decline of 2.0% on a like-for-like basis. During the current trading period reflecting the first seven weeks of our new financial period, we have seen like-for-like sales decline by 6.9%, providing clear evidence of the current economic climate and the weakness in consumer confidence. The Board believes the business is well positioned to deal with these challenges, continuing to generate healthy profits and remaining cash generative. Furthermore, we believe the business is well positioned to take advantage of the likely retraction in the competitive base across our core markets.

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GRAPHIC REMOVED

Easy Fit solid wood flooring is incredibly easy to lay and gives the effect of a real wood floor without the hassle of nails and glue

Easy Fit

Our polished porcelain range gives an air of luxury to even the smallest spaces

Polished Porcelain

Balancing our longer term investment needs against the uncertain economic outlook

During the financial period the Board monitored both the Group performance and the macro economy closely and considered that a return to investing in key areas of growth for the business was appropriate. This strategy has resulted in an overall increase in the number of stores and the completion of a new warehousing facility which is key to our future plans. The Board intends to continue with the cautious expansionary approach we outlined to shareholders over the last two years and intends to target approximately five new store openings over the next 12 months. We will also continue to invest in older parts of the store estate through a programme of minor store improvements and plan to convert a further 15 CH stores to the Topps brand, a strategy which has demonstrated positive results over the last 12 months.

Appropriate capital structure

During the period the Group successfully refinanced its loan facilities and now has in place a £75.0 million committed revolving credit facility expiring in May 2015. As at the financial period end £60.0 million of this facility was drawn with a further £15.0 million of undrawn financing available. The loan facility contains financial covenants which are tested on a [illegible] basis.

Other key risks

In addition to the above, the Board considers other key risks including its relationship with key suppliers, the potential threat of new competitors, the risk of failure of key information technology systems, possible impacts on costs of sourcing due to the weakness of Sterling in comparison to the Euro and US dollar currencies, loss of key personnel and the development of substitute products. The Board's response to these risks is articulated throughout this report and includes:

- Continuing improvement in our existing retail operations, including regular review of our product offer and customer service to ensure that we are maximising the opportunity to deliver sales
- Careful management of costs across all areas of the business with increases in expenditure only in areas that the Board decides are appropriate in order to either drive short term gains or generate longer term strategic benefits
- [illegible]
- Continuing review of the Group's global sourcing strategy to enable us to deliver greater value for money whilst maintaining returns and minimise the risk of over reliance on any individual supplier

The Directors will continue to monitor all of the key risks and uncertainties and the Board will take appropriate actions to mitigate these risks and their potential outcomes.

GOING CONCERN

Based on a detailed review of the above risks and uncertainties and management's current [illegible], the Board believes that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern.

The current economic climate and most recent trading period creates a degree of uncertainty in the outlook and our forecasts are sensitive to relatively small changes in sales and margin assumptions. This uncertainty combined with the financial covenants included in our loan facilities has led the Board to conduct a detailed review of a number of [illegible] and possible mitigating actions should they be required. Mitigating actions would include further cost reductions, working capital [illegible], reduced investment, freehold property disposal and possible review of dividend policy.

Based on this analysis the Board has concluded that in the event that the level of like for like sales highlighted in the current trading section of the CEO's report were to continue for the whole of the financial period ending 29 September 2012, some form of mitigating action would be required but once taken into account the Group would fully meet all of its future financial commitments. The Board therefore considers it appropriate to prepare the financial statements on the going concern basis.

Unbeatable Topps value

We offer a range of quality low cost wall and floor tiles for customers on a tight budget

GRAPHIC REMOVED

Cava Anthracite

AT TOPPS TILES WE NOT ONLY OFFER THE BIGGEST CHOICE OF TILES AND WOOD FLOORING, WE ARE COMMITTED TO OFFERING OUR CUSTOMERS **THE BEST TILES AT THE BEST PRICES.** PLUS OUR CUSTOMERS CAN SHOP WITH CONFIDENCE WITH OUR **LOWEST PRICE GUARANTEE.** SO WHETHER OUR CUSTOMERS ARE TILING THE SMALLEST OF ROOMS OR THE WHOLE HOUSE WE HAVE QUALITY PRODUCTS TO SUIT EVERY BUDGET

GRAPHIC REMOVED

Great Valu

GRAPHIC
REMOVED

Colorado textured ceramic wall tile

GRAPHIC
REMOVED

GRAPHIC
REMOVED

Bumpy White

Overs and buy back

Any unused full packs can be returned up to 60 days from the date of purchase for a refund

5%

Lowest price guarantee

Our price promise reassures our customers that we offer the best prices in the market If the same product is found cheaper anywhere else, we will beat it by 5%

GRAPHIC
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BUSINESS REVIEW
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A versatile collection of colours, textures and finishes, from glass and ceramic to polished and tumbled natural stone mosaics.

Lemon Marble

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Back by popular demand, our natural stone range now includes a handmade terracotta.

Handmade Spanish Terracotta

26%

Market share
(53 weeks ended 2 October 2010 25%)

FINANCIAL REVIEW

Profit and loss account

Please note this report has been prepared for the 52 weeks ended 1 October 2011 and the comparative period was prepared for the 53 weeks ended 2 October 2010. With the exception of the Group like for like revenue measure, which is comparable, the reported figures are presented on this basis and are not entirely comparable. The impact of the additional week in the prior period was to increase revenue by £3.6 million and operating profit by £0.4 million.

Revenue

Revenue for the period ended 1 October 2011 decreased by 3.8% to £175.5 million (2010: £182.4 million). Like for like store sales decreased by 2.0% in the period which consisted of a 1.8% increase in the first half of the financial period and a 5.8% decrease in the second half.

Gross margin

Overall gross margin was 59.6% compared with 58.7% in the previous financial period. At the interim stage of this period gross margin was 59.7% and we have recorded a gross margin of 59.5% in the second half of the period. The second half includes an exceptional charge against inventory of £1.3 million relating to a change in our instore practices which means we no longer consider display inventory to be suitable for sale. Adjusting for this the underlying margin in the second half period would be 61.0% and 60.3% for the period as a whole [illegible] improvement [illegible] environment we operate in continues to be a highly competitive one and we are able to [illegible] and also generate increasing levels of returns. Continued improvement in the efficiency of our supply chain and further vertical integration have been the key drivers of the improvements over the financial period. We will continue to invest margin in a controlled way to drive transaction volume where we consider it appropriate to do so.

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Inspired by hotel chic, Mira Hatch Mosaic is the latest addition to our Marble stone range

Mira Hatch Mosaic

Galaxy Black Granite

Operating expenses

Total operating costs have increased from £87.3 million to £90.6 million, an increase of 3.8%. Costs as a percentage of sales were 51.6% compared to 47.8% in the previous period. When adjusted for exceptional items detailed below, operating costs were £87.7 million (2010: £86.1 million), equivalent to 50.0% of sales (2010: 47.2% of sales).

The movement in adjusted operating costs is explained by the following key items:

- This financial period was [illegible] the previous financial period, which [illegible] saving of approximately £1.7 million
- Inflation at an average of approximately 2% has increased our cost base by around £1.8 million
- The average number of UK stores trading during the financial period was 313 (2010: 310), which would imply a 1.0% increase in store costs, generating approximately £0.7 million of additional costs
- We have made additional investments in marketing, increasing spend by approximately £1.0 million
- Business performance has been below the level of internal targets which has meant a reduced level of rewards for staff. Employee profit share costs have decreased by £0.3 million
- The remaining elements of the cost base are broadly flat when compared to the prior year

During the period we have incurred several charges which we have categorised as exceptional due to their nature. These charges relate to impairments of plant, property and equipment of £1.1 million (2010: £0.8 million), an inventory charge of £1.3 million (2010: £nil) and an increase in property related provisions of £1.9 million (2010: £0.4 million).

Operating profit

Operating profit for the period was £14.0 million (2010: £19.9 million).

Operating profit as a percentage of sales was 8.0% (2010: 10.9%).

When adjusted for the exceptional items detailed on page 1[illegible], operating profit was £18.2 million (2010: £21.1 million).

Other gains and losses

[illegible]

Financing

The net cash interest charge for the year was £4.4 million (2010: £4.8 million), excluding the impact of revaluations of derivative instruments. Whilst the interest charge has fallen compared to the prior period we have only seen limited benefit from the very low interest rates that prevail in the market. This is due to a series of interest rate derivatives we have in place which negate the majority of any impact from interest rate movements.

The interest rate derivatives give rise to a "marked to market" revaluation as required by IAS 39 Financial Instruments: Recognition and Measurement. This revaluation has generated a fair value (non cash) charge of £1.5 million (2010: £2.[illegible] million). Due to the nature of the underlying financial instruments, IAS 39 does not allow hedge accounting to be applied to these losses and hence this charge is being applied direct to the income statement rather than offset against balance sheet reserves.

Following the financial period end the Board has decided to close out 50% of the interest rate derivatives. This will have the effect of reducing the Group's annual interest charge moving forwards by approximately £1.25 million (at current LIBOR rates) but will increase net debt by £[illegible] million from April 20[illegible].

Net interest cover was [illegible] times (2010: 5.[illegible] times) based on earnings before interest, tax, depreciation and the impairment of plant, property and equipment, excluding the impact of IAS 39 finance charges.

Our new and exclusive Matrix brand offers a multitude of colours and tones in classic proportions

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Matrix Red

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Our charming range of crackle glaze tiles introduces Vintage Style to our brand, perfect for kitchens and bathrooms

Chic Craquelo

Profit before tax

Reported profit before tax is £[illegible] million (2010: £12.4 million).

Group profit before tax margin was [illegible]% (2010: 6.8%).

When adjusted for the exceptional and non-cash items detailed on page [illegible] the profit before tax is £13.9 million (2010: £16.3 million).

Tax

The effective rate of Corporation Tax for the period was 27.7% (2010: [illegible]%) (continuing operations).

The effective rate of Corporation Tax has been increased from the basic rate by non-deductible expenditure and depreciation on assets not qualifying for capital allowances. This has been offset by a prior year credit reflecting the release of certain provisions held against known tax risks as they have been reduced or settled.

Earnings per share

Basic earnings per share were 3.04p (2010: 5.37p – continued and discontinued operations).

Diluted earnings per share were 2.97p (2010: 5.26p – continued and discontinued operations).

Dividend and dividend policy

Last year we announced [illegible] payments. Although trading has been tough in this financial period, prudent financial management has enabled the Board to recommend to shareholders a final dividend of 0.6p per share. This will cost £1.1 million. Subject to approval at the Annual General Meeting the dividend will be payable on 31 January 2012 to all shareholders on the register as at 30 December 2011.

Balance sheet

Capital expenditure

Capital expenditure in the period amounted to £10.8 million (2010: £4.9 million), an increase of 120%, reflecting the increased level of investment in infrastructure that we highlighted in our previous Annual Report. Capital expenditure includes the cost of 12 new openings, five conversions, three relocations and 12 refits at a cost of £5.3 million. In addition to this we purchased the freehold on one existing store at a cost of £[illegible] million. Other capital expenditure includes the building of a new warehouse and facility at a cost of £3.1 million and £0.8 million on a new IT system which will go live in 2012.

At the period end the Group held eight freehold or long leasehold sites including three warehouse and distribution facilities with a total net book value of £[illegible] million (2010: seven freehold or long leasehold valued at £13.4 million).

320

Number of stores
(53 weeks ended 2 October 2010: 312)

59.6%

Gross margin
(53 weeks ended 2 October 2010: 58.7%)

Microline's simple classic shape offers endless design possibilities from kitchen shabby chic to bathroom simplicity

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Microline

Bringing this classic brick-shaped ceramic up to date with a vibrant colour palette and metallic finish

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Metro Glass

Inventory

Inventory at the period end was £23.8 million (2010 £21.9 million) representing 123 days turnover (2010 121 days turnover). We have continued our focus on improving working capital efficiencies and have also recognised a one-off charge against display inventories. As a result we have realised a reduction in stock holding over the period.

Capital structure and treasury

Cash and cash equivalents at the period end were £9.1 million (2010 £41.9 million) with repayable borrowings at £60.0 million (2010 £91.0 million).

This gives the Group a net debt position of £50.9 million compared to £49.1 million as at 2 October 2010.

Cash flow

Cash generated from operations was £[illegible]0.7 million compared to £19.8 million last period.

£50.9m

Net debt
(53 weeks ended 2 October 2010 £49.1m)

123

Stock days
(53 weeks ended 2 October 2010 121)

Matthew Williams
Chief Executive Officer

Rob Parker
Finance Director

28 November 2011

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Great Servi

AT TOPPS TILES WE ARE PROUD OF OUR REPUTATION FOR PROVIDING **EXCELLENT CUSTOMER SERVICE,** THIS ETHOS HAS BEEN PRESENT FROM THE START AND RUNS THROUGHOUT THE CORE OF OUR BUSINESS NOTHING IS TOO MUCH TROUBLE FOR OUR **KNOWLEDGEABLE WELL TRAINED STAFF,** WE HELP OUR CUSTOMERS EVERY STEP OF THE WAY, FROM INSPIRATIONAL IDEAS FOR THEIR HOMES TO SELECTING THE RIGHT PRODUCTS TO PRODUCE AN **EXCELLENT QUALITY FINISH** – WE EVEN ORGANISE THE FITTING

With over

300

stores nationwide visit a store near you today

Browse and buy online

Our online store is open 24 hours a day – 7 days a week, enabling customers to browse, order samples, visualise tiles on a room set visualiser and purchase securely

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Try at home
sample service

Our sample service allows customers to view different tiles in their homes so that they can check suitability prior to purchase

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Our free "How to"
guides offer expert advice

Our free "How to" guide is available as a DVD or can be downloaded online It offers expert preparation and fixing guides to help those customers who want to "have a go" themselves and complete their tiling or wood flooring project like a professional

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CORPORATE SOCIAL RESPONSIBILITY

"WE ARE SO HONOURED THAT TOPPS TILES HAVE CONTINUED TO SUPPORT H4H IN 2011 THEIR SUPPORT SINCE 2008 HAS BEEN INCREDIBLE THEY ARE ALWAYS ENTHUSIASTIC AND NEVER SEEM TO TIRE OF DOING JUST ABOUT ANYTHING TO RAISE MONEY FOR OUR HEROES! THE MONEY REALLY HAS MADE A HUGE DIFFERENCE AND WE ARE VERY GRATEFUL FOR EVERYTHING THEY HAVE DONE THEY ARE A PLEASURE TO WORK WITH AND WE ARE LOOKING FORWARD TO SEEING WHAT YOU HAVE PLANNED FOR NEXT YEAR!" **BRYN PARRY** H4H NOVEMBER 2011

Taking responsibility for our impact on society is important to us as a business and we have been developing our Corporate Social Responsibility (CSR) agenda since 2001. Over the past eight years [illegible] evolved and enhanced our programme to ensure we are an active member within the communities we work, that we work in an environmentally conscious manner and we ensure our employees feel supported, developed and engaged.

We are proud of our achievements in this area and focus our attention across three primary areas

- Community and Charity
- Environment
- Our People

COMMUNITY AND CHARITY

An important part of being a good neighbour for Topps Tiles is ensuring we are active in the communities local to our stores and places where we work. We have a strong CSR ethic at Topps and this is reflected in the work we do within our community and charity programmes.

In its eighth year our CSR programme has grown and enhanced over the year providing the framework and impetus for stores to support local activities that are perfect fit for the values and culture of [illegible] Group.

Topps in the Community

Mosaic art is fast becoming a growing craft across the UK and Topps is proud to lead the way in promoting and supporting mosaic as both a public art and an educational craft skill for children and adults.

Our mosaic programme is broken down into two key areas:

- supporting the [illegible] of [illegible] artists and children [illegible] local communities. We provide Topps Tiles Community Vouchers for mosaic materials to community artists and neighbourhood craft groups and provide expertise and materials to schools, educational workshops and further education centres. Our support assists those individuals and groups to develop their self esteem, self ability, educational needs, empowerment, inclusion and communication skills, and
- sponsoring two major competitions designed to showcase the work of novice mosaic artists: *Mega Mosaic Makers* is a primary school competition organised by The British Association for Modern Mosaic and our [illegible] competition for adults learning mosaic in community workshops and further education centres, the *Topps Tiles Award for Achievements in Mosaics*.

Youth football

Sponsorship of youth football is the cornerstone of our community relations programme and an exciting way for us as a business to get involved in the helping of children in [illegible] local communities [illegible] outdoors and [illegible].

We are one of the biggest supporters of youth football in the UK and whenever we open a new store we encourage them to look for sponsorship opportunities. Our stores are encouraged to build close relationships with teams and not only support them emotionally but also with the equipment needed to ensure they can get active without worry – kit, footballs and kitbags. We have been so successful in our youth football sponsorship that the kit our stores donate to junior teams is now arguably the most famous strip in the grassroots game! Teams are also encouraged to support our charity partner Help for Heroes.

We currently support over 300 youth teams nationwide and are very proud of this association. All the activity culminates in an annual tournament where teams across the country are invited to come together at the King Power Stadium, Leicester City FC.

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Award for Achievements in Mosaics 2011 winner, Julie Hand

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Help for Heroes charity bike ride

Charity

During 2008 we adopted "Help for Heroes" as our Group charity and have taken their cause to our hearts in a big way. Founded in 2007 the charity funds specialist rehabilitation centres for members of the armed forces wounded in front line conflicts including Afghanistan. Undoubtedly one of Britain's most high-profile charities, Help for Heroes enjoys phenomenal support from the British public as it does with the workforce at Topps Tiles. The last year has seen a phenomenal fundraising drive by our employees with individuals arranging events in their local communities (fun runs, football tournaments etc) as well as participating in companywide fundraisers such as our "Be a Christmas Hero" day.

All the hard work and commitment that our employees put into our partnership was recently recognised at the Help for Heroes Awards ceremony where the Group received an award for "Outstanding Support". With over £160,000 already raised for Help for Heroes, we are looking forward to continuing the successful partnership in 2012.

"We are so honoured that Topps Tiles have continued to support H4H in 2011. Their support since 2008 has been incredible. They are always enthusiastic and never seem to tire of doing just about anything to raise money for our heroes! The money really has made a huge difference and we are very grateful for everything they have done. They are a pleasure to work with and we are looking forward to seeing what you have planned for next year!" Bryn Parry H4H November 2011

We are one of the biggest supporters of youth football in the UK sponsoring over 300 youth teams nationwide

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300+

Number of football teams we sponsor in the UK

CORPORATE SOCIAL RESPONSIBILITY
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Help for Heroes charity cake sale

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Mega Mosaic Makers competition.

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ENVIRONMENT

Energy
Energy is a major driver of cost for the business and also forms a significant part of our environmental impact. Energy efficient technology including low energy lighting helps to reduce our environmental impact and we continually review opportunities to adopt new technologies on a cost efficient basis wherever possible.

In 2010 in liaison with the Carbon Trust we commenced a pilot scheme for the replacement of old inefficient lighting installations with new efficient systems at 11 of our sites. This scheme proved successful achieving our objectives of an improved environment for our customers and staff, cost savings from lower electricity consumption and maintenance costs and a reduction in our carbon footprint. As a result of this success we have now completed a further [illegible] and plan to continue [illegible] in the year ahead.

Waste
Waste management is [illegible] business and our initiatives, specifically at our main warehouses, have reduced waste going to landfill by up to 40%. All cardboard and plastic generated at the [illegible] is now baled and sold on to recycling companies with all waste wood crushed into small pieces and similarly sold on. Using our proactive approach to continually minimise waste, the plan is to further broaden and increase our commitment by reviewing areas such as polystyrene, metal and canteen waste more closely.

With the continuing need for us to efficiently manage our store waste in conjunction with our chosen refuse partner our stores now use Dry Mixed Recycling which means that cardboard, paper, newspapers, plastic films, bottles, steel and aluminium cans can all be put into one bin. As well as controlling our costs we are also reducing our environmental impact by diverting store waste away from landfill and into established recycling channels.

Transport
Topps has taken delivery of a further five Euro 5 low emission vehicles during 2011 and have specified manufacturers telematic systems as standard on these vehicles. This brings in line all of Topps own fleet to [illegible]. Total CO_2 emissions of our own [illegible] to 2011 was 2,460 tonnes, a reduction of 8% year on year despite additional activity, with new fleet [illegible] expected to reduce this number further during 2012. We are continuing [illegible] replacement programme with a focus on [illegible] to reduce miles [illegible] emissions. We already have [illegible] and we are considering options including [illegible] We are [illegible] where possible [illegible] efficiencies.

Supply chain
We source [illegible] from around the world [illegible] labour standards, safety conditions and human rights are issues we take seriously. To address any possible concerns our buyers conduct regular supplier visits and factory tours and also ensure that contracts for supply of goods include our requirements in relation to each of the above issues. We have a policy on timber products and have adopted the principles and criteria of the Forest Stewardship Council as our benchmark.

OUR PEOPLE

Our employees are a central focus for us and we want them to [illegible] company. We want to ensure that not only do we give our customers an inspiring place to shop but we also give our employees an inspiring place to work.

Employee wellbeing
We provide an employee helpline service for all employees to have a channel for expressing concerns and seeking advice. Over the last year we have launched a new employee assistance programme, a store manager health plan, employee private health cover and extended our paternity policy to ensure our employees' wellbeing is fully supported.

Annual youth football tournament at Leicester City's King Power Stadium

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Supporting The British Association for Modern Mosaics by providing materials to schools for the Mega Mosaic Makers competition

Our in-house Health and Safety team maintain regular dialogue with staff and carry out periodical inspections and assessments to ensure risks are minimised or removed in our stores, warehouse and offices and to promote effective communication and employee involvement we also operate a Health & Safety Committee which meets on a regular basis and is chaired by a main Board Director

Communication and engagement

Communication with our employees is vital and we have initiatives in place to ensure regular and effective dialogue with staff. We have introduced a three year communication and engagement plan to support the business plan for the future

- We have a number of existing communication channels including a newly designed internal magazine and a weekly stores bulletin. We also have an intranet that is being redesigned and which we expect to play an increasingly important part in our communication plans as we move forward. As part of our communication commitment we have conducted a series of management road shows, taking over 400 of our senior managers through our strategic plans for the next three years and ensuring all employees understand and are part of our vision
- This year [illegible] the launch [illegible] our [illegible] representative forum [illegible] across the [illegible] business and the first full employee engagement survey. These initiatives will help to create a framework for employees to participate in a two way engagement process with those that will drive decision making within the Group
- We are developing our internal employee brand in a drive to attract and retain the talent needed to support our growth plans. We actively encourage our staff to apply for internal vacancies and promotions
- Rewarding our employees for all their hard work is part of the Topps ethos and every employee has the opportunity to enhance their basic pay through additional performance related incentives. This year has also seen us review and enhance our complete reward programme to ensure we are competitive and recognise all our employees for their hard work and loyalty

Employee development

As a Group we actively encourage employee development. We have a strong culture and history of growing and developing our people within the organisation and it is important to us that our employees fulfil their potential whilst they are working with us

- 2011 has seen over 300 of our retail employees gain Level Two Qualifications in Retail Skills and 45 employees have begun studying for their Level Three Qualification
- This year has also seen the launch of the Topps Tiles Young Apprenticeships programme. We have 12 young men and women working with us across the UK and it is a programme we hope to develop and grow over the coming year

In April 2011 the Group retained its Investors in People award for a further three years

Topps Tiles is pleased to be a constituent member of the FTSE4Good UK Index

Our full policy can be found on our website at www.toppstiles.co.uk in the investor section under corporate responsibility

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Rt. Hon. Michael Jack
Privy Councillor
Non-Executive Chairman (aged 65)

Member of Audit Committee

Chairman of Nomination Committee

Member of Remuneration Committee

In business Michael's management experience came from P&G, Marks & Spencers and a part of Northern Foods. His career as an MP concluded in 2010 after 23 years during which he served as a Minister in four Departments including the Treasury as Financial Secretary.

Additionally he chaired the EFRA Select Committee. Now he chairs the recently formed Office of Tax Simplification. He joined Topps Tiles Board in 1992.

Matthew Williams
Chief Executive Officer (aged 37)

Matt joined the Company in 1998 after completing his Chartered Surveyor's exams and took up the role of Property Director. In 2004 he was promoted to Chief Operating Officer and on 1 April 2006 joined the Board. In 2007 he was promoted to Chief Executive Officer.

Robert Parker
Finance Director (aged 39)

Company Secretary

Secretary of Audit Committee

Rob joined Topps Tiles in 2007 as Finance Director. Rob's previous role before joining the Group was Director of Finance at Superdrug Health & Beauty Ltd. Prior to that Rob was with the Boots Group Plc for 10 years, including five years with the international side of the business, ultimately as Director of Finance for Boots Retail International.

He is responsible for the accounting, financial control, treasury, administration and Group secretarial matters.

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Nicholas Ounstead
Marketing Director (aged [illegible])

Health & Safety Committee Chairman

Nicholas joined Topps Tiles in April 1997. Prior to this he was Marketing Director at Bellegrove Ceramics Plc which is a major supplier to DIY chains and independent retailers. In September 2001 he was appointed Chief Operating Officer and promoted to Chief Executive Officer from 2002 to 2007.

Nicholas is also Chairman of the Health and Safety Committee.

Alan White
Non-Executive Director (aged 56)

Chairman of Audit Committee

Member of Nomination Committee

Chairman of the Remuneration Committee

Alan is the Chief Executive of N Brown Group plc, a role he was appointed to in 2002. He qualified as a chartered accountant with Arthur Andersen and has been Group Finance Director for Sharp Electronics (UK), N Brown Group plc and Littlewoods plc. He joined the Board of Topps Tiles in April 2006.

DIRECTORS AND ADVISORS

Directors
The Rt Hon J M Jack, Privy Counsellor
Non Executive Chairman

M T M Williams
Chief Executive Officer

R Parker ACMA
Finance Director

N D Ounsted
Marketing Director

A White ACA
Non-Executive Director

Secretary
R Parker ACMA

Registered number
3213782

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Bankers
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Brokers
Peel Hunt
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London
EC2Y 5ET

DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of the Group together with the Financial Statements and Auditor's Report for the 52 week period ended [illegible] October 2011. The Corporate Governance Statement set out on pages 31 to 32 forms part of this report.

Principal activity

The principal activity of the Group comprises the retail and wholesale distribution of ceramic tiles, wood flooring and related products.

Business Review

The Company, being the listed entity Topps Tiles Plc, is required by the Companies Act to set out in this report a fair review of the business of the Group during the financial period ended 1 October 2011 and of the position of the Group at the end of the financial period. The Company is also required to set out a description of the principal risks and uncertainties facing the Group.

The information that fulfils the requirements of the enhanced business review can be found within the Chairman's statement on page 3, the CEO's statement on page 5, the strategy summary on page 2, the Business Review on pages 10 to 19 and the Corporate and Social Responsibility statement on pages 22 to 25, which are incorporated in this report by reference.

The Directors monitor a number of financial and non-financial key performance indicators (KPIs) for the Group and by store and these are detailed on pages 11 and 12.

Results and dividends

The audited financial statements for the 52 week period ended 1 October 2011 are set out on pages 38 to [illegible]. The Group's profit for the period from continuing operations after taxation was £5,714,000 (2010: £8,472,000).

During the period an interim dividend of 0.5p per share was declared and paid (2010: no interim dividend was paid).

Following careful consideration and for the reasons given in the [illegible] of this report, the Board is recommending the payment of a final dividend of 0.6 pence per share totalling £1,150,195 (2010: [illegible] pence per share totalling £[illegible]).

Directors

The Directors of the Company who served throughout the year and thereafter except as noted were as follows:

B. [illegible] Beser	Non-Executive Chairman (resigned on 17 May 2011)
M.T.M. Williams	Chief Executive Officer
R. Parker	Finance Director
N.D. Ounstead	Marketing Director
J.M. Jack	Senior Independent Non-Executive Director and appointed as Non-Executive Chairman on 17 May 2011
A. White	Non-Executive Director

In line with the updated Code on Corporate Governance, all Directors will be subject to annual re-election from the next Annual General Meeting.

The Company has taken out insurance against Directors' and Officers' liabilities [illegible] £[illegible]

The Directors' interests in the shares of the Company are set out on page [illegible].

Details of Directors' share options are provided in the Directors' Remuneration Report on page [illegible].

Share capital

Details of the Company's authorised and issued share capital, together with details of the movements in the Company's issued share capital during the period, are shown in note 2[illegible] to the Financial Statements.

The Company has one class of ordinary shares in issue which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid with the exception of the 127,000 shares issued to the Topps Employee Benefit Trust.

Change of Control – Significant Agreements

The Group is party to significant agreements including commercial contracts, financial and property agreements and employees' share plans which contain certain termination and other rights for the counterparties upon a change of control of the Company. Should the counterparties choose to exercise their rights under the agreements on a change of control such arrangements would need to be renegotiated. None of these are considered to be significant in terms of the likely impact on the business of the Group as a whole. There are no agreements between any Group company and any of its employees or any Director of the Company which provides for compensation to be paid to the employee or Director for termination of employment or for loss of office as a consequence of a takeover of the Company, other than provisions that would apply on any termination of employment.

Supplier payment policy

The Group's policy is to negotiate terms of payment with suppliers when agreeing the terms of each transaction, ensuring that suppliers are made aware of the terms of payment and that both parties abide by those terms.

The effect of the Group's negotiated payment policy is that trade payables at the period end represented 38 days purchases (2010: 41 days). Trade creditor days is calculated by dividing the trade and other payables creditor by the aggregate of cost of sales and relevant non-stock expenditure, multiplied by 365.

Charitable and political contributions

During the period the Group made charitable donations [illegible] (2010: [illegible]) [illegible]. The Group made no political contributions (2010: [illegible]). The Group will continue its support [illegible] in future [illegible].

Substantial shareholdings

In addition to the Directors shareholdings noted on page 36, on 22 November 2011 the Company had been notified, in accordance with Chapter 5 of the Disclosure and Transparency Rules or under section 793 of the Companies Act 2006, of the following interests in 3% or more of its issued share capital.

	Number	% held
Barry Bester	22,929,957	12.2%
Aberforth	20,822,889	11.1%
Stuart Williams	20,553,950	10.9%
AXA Investment Managers	17,[illegible]55,253	9.1%
[illegible]	9,097,[illegible]03	4.8%
[illegible]	8,98[illegible],376	4.8%
Allianz	[illegible]	4.8%
River & Mercantile	8,344,994	4.4%

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings and the Company magazine. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Financial risk management, objectives and policies

The Group is exposed to certain financial risks [illegible] [illegible] regarding such [illegible] is detailed in notes 17, 18, 19, 20 and 21. The Group's risk management policies and procedures are also discussed in the Business Review on pages 10 to 19.

Share option schemes

The Directors recognise the importance of motivating employees and believe that one of the most effective incentives is increased employee participation in the Company through share ownership.

This has been achieved through the introduction of a number of employee sharesave, share bonus, approved and unapproved share option schemes since the flotation in 1997.

The total number of options held by employees, including Directors, is 6,229,563 (2010: 5,57[illegible],746).

As described in note 32, employee share purchase plans are open [illegible] provide [illegible] purchase price equal to the daily average market price [illegible] less 20%. The [illegible] purchased during [illegible] period ended 1 October 2011 [illegible] between 2 January 20[illegible] and 24 January 2011 [illegible] average price [illegible].

Details of Directors' share options are provided in the Directors' Remuneration Report on page 35.

Information given to the auditor

Each of the Directors at the date of approval of this annual report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The 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 Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

A resolution to reappoint Deloitte LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

DIRECTORS' REPORT
CONTINUED

Directors' Responsibilities statement

The Directors are responsible for preparing the Annual Report, Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the parent Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent Company Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the Directors' Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

R Parker
Director and Company Secretary
28 November 2011

CORPORATE GOVERNANCE STATEMENT

Rt Hon Michael Jack (Chairman of the Board)

Dear shareholder

The Company is committed to the principles of corporate governance contained in the 2010 UK Corporate Governance Code issued by the Financial Reporting Council ("the Code") for which the Board is accountable to shareholders

Statement of compliance with the Code

The Company has complied throughout the period with the Provisions of the Code except for provision B.6.1 as the Board does not currently undertake formal appraisal of its own performance and that of its committees on the basis that it considers an informal rolling programme of review appropriate

The Company complies with all other provisions of the Code

In addition the Company recognises the need to increase the number of Independent Non Executive Directors on the Board and is in process to identify and appoint two suitable candidates as well advanced. The Company hopes to be in a position to make a further announcement on these appointments early in 2012

The Board of Directors comprises five members of which two are considered independent including the Company's Non Executive Chairman Rt Hon Michael Jack. The Senior Independent Non-Executive Director is Alan White, who also chairs the Audit Committee and Remuneration Committee. Brief biographical details of all Directors are given on page 26. The Board meets at least ten times a year. Certain defined issues are reserved for the Board including approval of Financial Statements and circulars, annual budgets, strategy, Directors' appointments, internal control and risk management, corporate governance, key external and internal appointments and pensions and employee incentives

In advance of Board meetings Directors are supplied with up to date information [illegible] [illegible] overall financial [illegible] and [illegible] accounts and forecasts

[illegible] independent professional advice [illegible] of the Company. All Directors have access to the Company Secretary and they may also address issues to the Senior Independent Non-Executive Director

In line with the updated UK Corporate Governance Code all Directors will be subject to annual re-election from the next Annual General Meeting. Directors are elected at the first AGM after appointment. All Non-Executive Directors have written letters of appointment. The Board acknowledges the Code's position with respect to the potential loss of independence for any Non-Executive Director who has served for nine years or more. Although the Rt Hon Michael Jack has exceeded this term the Board regards him to be independent and considers his broad based commercial experience and extensive business specific knowledge to be extremely beneficial

The Board considers that the Rt Hon Michael Jack and Alan White are independent for the purposes of the Code. The terms and conditions for the appointment of Non-Executive Directors are available for inspection on request

The Board will review the independence of Non-Executive Directors on an ongoing basis

The Board operates three committees. These are the Nomination Committee, the Remuneration Committee and the Audit Committee. All of these committees meet regularly and have formal written terms of reference which are available for inspection on request.

Attendance at Board/Committee meetings

The following table shows the number of Board and Committee meetings held during the 52 week period ended 1 October 2011 and the attendance record of the individual Directors

	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings	13	2	3	2
B F J Beste (resigned 17 May 2011)	8	1	1	1
M T M Williams	13	2	N/A	N/A
N D Ounstead	13	2	N/A	N/A
R Parker	13	2	N/A	N/A
J M Jack	13	2	3	2
A White	13	2	3	2

CORPORATE GOVERNANCE STATEMENT
CONTINUED

Statement about applying the principles of the Code
The Company has applied the principles of the UK Corporate Governance Code as described above. Further explanation of how the principles of the Code have been applied in connection with Directors' remuneration is set out in the Remuneration Report.

Audit Committee
The Audit Committee consists of the Non Executive Directors. The Chairman is Alan White and the other member is the Rt Hon Michael Jack. The qualifications of the Audit Committee members are detailed on page 26.

The Audit Committee considers the nature and scope of the audit process (both internal and external) and its effectiveness. The Committee reviews and approves the internal audit programme, meets with the external auditor and considers the Annual and Interim Financial Statements before submission to the Board. The Committee reviews the arrangements by which staff may in confidence raise concerns about possible improprieties in matters of financial reporting or other matters. The Committee also reviews the Group's system of internal control and reports its findings twice a year to the Board. The Committee meets with the external auditor and the rest of the Board attend at the invitation of the Audit Committee Chairman.

Part of the role of the Audit Committee is to review the independence of the Company's auditor. The Company's external auditor Deloitte LLP ("Deloitte") have provided [illegible] services to the Company in [illegible]. The Audit Committee is satisfied that Deloitte LLP has adequate policies and safeguards in place to ensure that auditor objectivity and independence is maintained. The Audit Committee [illegible] that providing audit and non audit advice could lead to a perceived conflict of interest. The level of fees paid to Deloitte LLP for non audit services has been considered by the Audit Committee and is not perceived to be in conflict with auditor independence. In order to ensure the continued independence and objectivity of the external auditor there is an established policy regarding the provision of non audit services. The Audit Committee has concluded that the auditor Deloitte is independent.

Deloitte has been auditor of the Group since September 2003. The current audit partner's first period as signing partner is the current period ended 1 October 2011. The Audit Committee considers the work of Deloitte and their independence in deciding whether an audit tender is required and at this point in time is satisfied by the work of Deloitte and their independence and so has proposed their re-appointment.

Nomination Committee
The Nomination Committee is chaired by the Rt Hon Michael Jack. The other member is Alan White. The formal terms of reference for this Committee require it to make recommendations to the Board on appointments of Directors and other senior executive staff.

Appointments to the Board are made on merit against objective criteria, taking into account the skills and experience required. Where appropriate, external search consultants are utilised.

Dialogue with institutional shareholders
The Directors seek to build on a mutual understanding of objectives between the Company and its institutional shareholders by making annual presentations and communicating regularly throughout the year. The Company also posts financial information on its website www.toppstiles.co.uk.

Maintenance of a sound system of internal control
The Board has applied Principle C.2 of the Code by establishing a continuous process for identifying, evaluating and managing the significant risks the Group faces. The Board regularly reviews the process which has been put in place from the start of the period to the date of the approval of this report and which is in accordance with the revised guidance on internal control published in October 2005 (The Turnbull Guidance). The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In compliance with Provision C.2.1 of the Code, the Board continuously reviews the effectiveness of the Group's system of internal control. The Board's monitoring covers all controls including financial, operational and compliance controls and risk management. It is based principally on reviewing reports from management to consider whether significant risks are identified, evaluated, managed and controlled and whether any significant weaknesses are promptly remedied and indicate a need to more extensive monitoring. The Board has also performed a specific assessment for the purposes of this Annual Report. This assessment considers all significant aspects of internal control arising during the period covered by the report including the work of internal audit. The Audit Committee assists the Board in discharging its review responsibilities.

During the course of its review of the system of internal control, the Board has not identified nor been advised of any failings or weaknesses which it has determined to be significant. Therefore a confirmation in respect of necessary actions has not been considered necessary.

Rt. Hon. Michael Jack
Chairman of the Board
28 November 2011

REMUNERATION REPORT

Introduction

This report has been prepared in accordance with Schedule 8 of the Accounting Regulations under the Companies Act 2006. The report also meets the relevant requirements of the Listing Rules of the Financial Services Authority and describes how the Board has applied the principles relating to the Directors' remuneration in the Code. As required by the Act, a resolution to approve the report will be proposed at the Annual General Meeting of the Company at which the Financial Statements will be approved.

The Act requires the auditor to report to the Company's members on certain parts of the Directors' Remuneration Report and to state whether in their opinion those parts of the report have been properly prepared in accordance with the Accounting Regulations. The report has therefore been divided into separate sections for audited and unaudited information.

UNAUDITED INFORMATION

Remuneration Committee

The Company has a Remuneration Committee ("the Committee") which is constituted in accordance with the recommendations of the Code. The members of the Committee are the Rt Hon Michael Jack and Alan White. The Committee is chaired by Alan White and has met three times during the financial period to discuss the remuneration of the senior management team and the Non-Executive Directors. None of the Committee has any personal financial interest (other than as shareholders), conflicts of interest arising from cross-directorships or day-to-day involvement in running the business. The Committee makes recommendations to the Board on the individual remuneration packages of each Executive Director. No Director plays a part in any discussion about his own remuneration. The terms of reference for the Committee are available on written request from the Company Secretary.

During the financial period the main areas reviewed by the Committee have been executive annual pay awards, non-executive fees, chairman remuneration, board sub-committee fees and executive salary benchmarking.

Remuneration policy

Executive remuneration packages are prudently designed to attract, motivate and retain Directors of the high calibre needed to maintain the Group's position as a market leader and to reward them for enhancing value to shareholders. The performance measurement of the Executive Directors and key members of senior management and the determination of their annual remuneration packages are undertaken by the Committee. The remuneration of the Non-Executive Directors is determined by the Board within limits set out in the Articles of Association.

There are four main elements of the remuneration package for Executive Directors:

- basic annual salary and benefits;
- annual cash based bonus payments;
- deferred share-based long-term incentives; and
- pension arrangements.

Basic salary

An Executive Director's basic salary is reviewed [illegible] by the Committee prior to the beginning of each financial period and when an individual changes position or responsibility. [illegible] the Committee considers the Group as a whole, including levels of increases appropriate to other employees in the Group [illegible] objective [illegible] up-to-date information on a comparator Group of companies. In line with the general pay award for all staff, basic salaries [illegible] June 2011 and were increased by 2.5% effective from that date in consideration of general inflation. Executive Directors' contracts of service, which include details of remuneration, will be available for inspection at the Annual General Meeting. Executive Directors' pay and the employment conditions of the Group are taken into account when determining the Directors' remuneration for the financial period. In addition to basic salary, the Executive Directors receive certain benefits in kind, principally a car and private medical insurance.

Annual bonus payments

A discretionary annual cash bonus scheme represents the short-term incentive element of the overall remuneration package for Mr Williams, Mr Parker and Mr Ounstead. The Committee establishes the objectives that must be met in the financial period if a cash bonus is to be paid. The maximum bonus achievable in the period was 125% of basic salary based on Group outperformance against budgeted EBITDA. For the period ending 1 October 2011 the performance criteria were not met and no bonus payment was due.

Deferred bonus long-term incentive plan

At the AGM in January 2010 a new deferred bonus long-term incentive plan was approved by shareholders. Under this long-term incentive plan 25% of the annual bonus [illegible] is deferred in the form of shares [illegible] (or nil cost options) that vest at the end of two years subject to the achievement of performance conditions [illegible] continued employment [illegible] EBITDA earnings growth measured over the two-year period. For the period ended 1 October 2011 the performance criteria were not met and no bonus payment was due. The bonus structure will [illegible] for the coming financial period.

Pension arrangements

Mr Bostar, Mr Ounstead and Mr Parker received contributions into their own personal pension schemes as disclosed in the table on page 35.

REMUNERATION REPORT
CONTINUED

DIRECTORS' CONTRACTS

Executive Directors

It is the Company's policy that Executive Directors are offered permanent contracts of employment with a range of six to twelve months' notice period. Under an event of contract termination any severance payment would be subject to negotiation but would be with regard to length of service and the prevailing notice period.

Non-Executive Directors

Non-Executive Directors have specific terms of engagement and their remuneration is determined by the Board within the limits set by the Articles of Association and based on independent surveys of fees paid to Non-Executive Directors of similar companies. The basic fee paid to each Non-Executive Director in the period was £34,000 (2010: £34,000). In addition to the basic fee there is an additional allowance paid to the Senior Independent Non-Executive Director of £3,026 (2010: £2,636). With respect to the sub-committees of the Board there is a fee paid for the additional role of sub-committee Chairman of £3,000 (2010: £nil), and £2,000 for being a member of each sub-committee (2010: £nil). It is the Company's policy that Non-Executive Directors should have contracts with an indefinite term providing for a maximum of six months' notice. Independent Non-Executive Directors cannot participate in any of the Company's share option schemes and are not eligible to join the Company's pension scheme.

The role of Chairman is also non-executive, with an indefinite term contract and a maximum six months' notice. During the period we announced a change in Chairman. The outgoing Chairman, Barry Bester, retired from the Board on 17 May 2011 and his contract entitled him to six months' notice from that date. The total remuneration received by Mr Bester for the period was £131,000 (2010: £115,000) including a contribution to the Company pension scheme of £6,000 (2010: £6,000). Mr Bester also participated in the 2009 Save As You Earn Scheme. Effective from 17 May 2011 the Rt Hon Michael Jack was promoted to the role of Chairman and has received a total remuneration for the period of £60,000 (2010: £37,000).

The details of the Non-Executive Directors' contracts are summarised in the table below:

Name of Director	Date of contract or letter of appointment	Unexpired term	Notice period
J M Jack	26 January 1999	N/A	6 months
A White	1 April 2008	N/A	6 months

Performance graph

The following graph shows the Company's performance, measured by total shareholder return ("TSR"), compared with the performance of the FTSE 250 index also measured by TSR. The index chosen for the comparison demonstrates the Group's TSR in comparison to the average for FTSE 250 companies.

The FTSE 250 index is considered a relevant comparator for the business.

GRAPHIC
REMOVED

AUDITED INFORMATION

Aggregate Directors' remuneration

The total amounts for Directors' remuneration were as follows

	2011 £'000	2010 £'000
Emoluments	**1,013**	1 219
Money purchase pension contributions	**23**	26
Share based payments	**-**	92
Amounts receivable under long-term incentive schemes	**66**	79
	1,102	1,416

Directors' emoluments

Name of Director	Fees £'000	Basic salary £'000	Vehicle allowance £'000	Benefits in kind £'000	Money purchase pension contributions £'000	Bonus £'000	2011 £'000	2010** £'000
M T M Williams	**-**	**359**	**24**	**1**	**-**	**-**	**384**	515
N D Ounstead	**-**	**205**	**21**	**1**	**8**	**8**	**243**	285
R Parker	**-**	**205**	**21**	**1**	**9**	**-**	**236**	338
Non-Executive Directors								
B F J Bester (resigned 17 May 2011)	**-**	**123**	**-**	**2**	**6**	**-**	**131**	115
J M Jack	**-**	**66**	**-**	**-**	**-**	**-**	**66**	37
A White	**17**	**25**	**-**	**-**	**-**	**-**	**42**	34
	17	**983**	**66**	**5**	**23**	**8**	**1,102**	1 324

*N Ounstead received a bonus relating to an outstanding award from the previous financial period

**2010 comparatives have been restated to exclude share payments to aid comparison with 2011 remuneration

Directors' share options

Share options held by the Directors relate to the 2009 and 2011 Save As You Earn schemes which were eligible to all employees. No options have been exercised in the period.

Name of Director	Scheme	2 Oct 2010	Acquired	1 Oct 2011	Exercise price	Date from which exercisable	Expiry date
N D Ounstead	Save As You Earn April 2009	26,836	-	26,836	£0 165	1 Apr '12	1 Oct '12
R Parker	Save As You Earn April 2009	44,727	–	44,727	£0 165	1 Apr '14	1 Oct 14
	Save As You Earn April 2011	–	5,625	5,625	£0 64	1 Apr '14	1 Oct '14
M T M Williams	Save As You Earn April 2009	26,836	–	26,836	£0 165	1 Apr '12	1 Oct 12
	Save As You Earn April 2011	–	5,625	5,625	£0 64	1 Apr '14	1 Oct '14

Share options held by the Directors that departed during the year are as follows

Name of Director	Scheme	2 Oct 2010	Acquired	1 Oct 2011	Exercise price	Date from which exercisable	Expiry date
B F J Bester	Save As You Earn April 2009	26,836	–	26,836	£0 165	1 Apr '12	1 Oct '12

The market price of the Company's shares at 30 September 2011 was 34.0p and the range during the period was 26.0p to 85.0p

REMUNERATION REPORT
CONTINUED

Directors' interests

The Directors had the following interests in the shares of the Company at the period end (all interests relate solely to ordinary shares):

	2011 No of ordinary shares of 3 33p each	2010 No of ordinary shares of 3 33p each
M T M Williams	**567,000**	600,000
N D Ounstead	**447,750**	477,750
R Parker	**72,500**	72,500
J M Jack	**74,250**	44,250
A White	**41,499**	41,499

Approval

This report was approved by the Board of Directors on 2[illegible] November 2011 and signed on its behalf by

Alan White
Chairman of Remuneration Committee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOPPS TILES PLC

We have audited the Group financial statements of Topps Tiles Plc for the 52 week period ended 1 October 2011 which comprise the consolidated statement of financial performance, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated cash flow statement and the related notes 1 to 34. 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.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 auditor

As explained more fully in the Directors' Responsibilities statement, the Directors are responsible for the preparation of the Group 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 Group 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 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 annual report 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 group financial statements:

- give a true and fair view of the state of the Group's affairs as at 1 October 2011 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Article 4 of the IAS Regulation.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 2 to the Group financial statements, the Group in addition to complying with its legal obligation to apply IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the Group financial statements comply with IFRSs as issued by the IASB.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the Group financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

Under the Listing Rules we are required to review:

- the directors' statement contained within the Business Review in relation to going concern;
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to shareholders by the Board on Directors' remuneration.

Other matter

We have reported separately on the parent company financial statements of Topps Tiles Plc for the period ended 1 October 2011 and on the information in the Directors' Remuneration Report that is described as having been audited.

Timothy Edge (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

28 November 2011

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

For the 52 weeks ended 1 October 2011

	Notes	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Group revenue – continuing operations	3 4	**175,525**	182,406
Cost of sales		**(70,904)**	(75,254)
Gross profit		**104,621**	107,152
Employee profit sharing		**(6,638)**	(6,902)
Distribution costs		**(65,883)**	(64,492)
Other operating expenses		**(6,393)**	(5 452)
Administrative costs		**(6,624)**	(7,044)
Sales and marketing costs		**(5,103)**	(3 385)
Group operating profit before exceptional items		**18,174**	21,093
Impairment of plant, property and equipment	5	**(1,051)**	(815)
Write off of display inventories	5	**(1,281)**	–
Property related provisions	5	**(1,862)**	(401)
Group operating profit	4	**13,980**	19,877
Other gains	4,8	**–**	100
Investment revenue	4,9	**356**	453
Finance costs	4,9	**(4,798)**	(5,275)
Fair value loss on interest rate derivatives	4,9	**(1,630)**	(2,780)
Profit before taxation	4 6	**7,908**	12 375
Taxation	4,10	**(2,194)**	(3,903)
Profit for the period from continuing operations		**5,714**	8,472
Discontinued operations			
Profit for the period from discontinued operations	11	**–**	1,502
Profit for the period attributable to equity holders of the Company	30	**5,714**	9,974
Earnings per ordinary share	13		
From continuing operations			
– basic		**3.04p**	4 56p
– diluted		**2.97p**	4 46p
From continuing and discontinued operations			
– basic		**3.04p**	5 37p
– diluted		**2.97p**	5 26p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 1 October 2011

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Profit for the period	**5,714**	9,974
Total comprehensive income for the period attributable to equity holders of the parent Company	**5,714**	9,974

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 1 October 2011

	Notes	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Non-current assets			
Goodwill	14	**245**	245
Property plant and equipment	15	**37,221**	31,639
		37,466	31,884
Current assets			
Inventories		**23,800**	24,874
Trade and other receivables	17	**7,261**	7,594
Deferred tax asset	22	**595**	-
Cash and cash equivalents	18	**9,088**	41,879
		40,744	74,347
Total assets		**78,210**	106,231
Current liabilities			
Trade and other payables	19	**(24,105)**	(25,588)
Derivative financial instruments	21	**(12,186)**	(10,557)
Bank loans	20	**-**	(7,250)
Current tax liabilities		**(5,537)**	(6,181)
Provisions	22	**(1,075)**	-
		(42,903)	(49,576)
Net current (liabilities)/assets		**(2,159)**	24,771
Non-current liabilities			
Bank loans	20	**(59,289)**	(83,466)
Deferred tax liabilities	22	**-**	(422)
Provisions	22	**(1,480)**	(1,297)
Total liabilities		**(103,672)**	(134,761)
Net liabilities		**(25,462)**	(28,530)
Equity			
Share capital	23	**6,279**	6,273
Share premium	24	**1,022**	1,001
Own shares	25	**(4)**	-
Merger reserve	26	**(399)**	(399)
Share based payment reserve	27	**543**	367
Capital redemption reserve	28	**20,359**	20,359
Retained earnings	30	**(53,262)**	(56,131)
Total deficit attributable to equity holders of the parent		**(25,462)**	(28,530)

The accompanying notes are an integral part of these financial statements

The financial statements of Topps Tiles PLC, registered number 3213782, on pages 38 to 69 were approved by the Board of Directors and authorised for issue on 28 November 2011. They were signed on its behalf by:

M.T.M Williams
Director

R. Parker
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 52 weeks ended 1 October 2011

Equity attributable to equity holders of the parent

	Share capital £'000	Share premium £'000	Own shares £'000	Merger reserve £'000	Share-based payment reserve £'000	Capital redemption reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 26 September 2009	5,703	1,001	–	240	240	20,359	336	(81,161)	(53,282)
Profit and total comprehensive income for the period	–	–	–	–	–	–	–	9,974	9,974
Shares issued in respect of placing and open offer	570	14,296	–	–	–	–	–	–	14,866
Transfer to retained earnings	–	(14 296)	–	–	–	–	–	14,296	–
Credit to equity for equity settled share-based payments	–	–	–	–	127	–	–	–	127
Deferred tax on share based payment transactions	–	–	–	–	–	–	–	121	121
Release of reserve on disposal of subsidiary	–	–	–	(639)	–	–	(336)	639	(336)
Balance at 2 October 2010	6,273	1,001	–	(399)	367	20,359	–	(56,131)	(28,530)
Profit and total comprehensive income for the period	–	–	–	–	–	–	–	5,714	5,714
Issue of share capital	6	21	–	–	–	–	–	–	27
Dividends	–	–	–	–	–	–	–	(2,817)	(2,817)
Own shares purchased in the period	–	–	(4)	–	–	–	–	–	(4)
Credit to equity for equity-settled share-based payments	–	–	–	–	176	–	–	–	176
Deferred tax on share based payment transactions	–	–	–	–	–	–	–	(28)	(28)
Balance at 1 October 2011	**6,279**	**1,022**	**(4)**	**(399)**	**543**	**20,359**	**–**	**(53,262)**	**(25,462)**

CONSOLIDATED CASH FLOW STATEMENT

For the 52 weeks ended 1 October 2011

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Cash flow from operating activities		
Profit for the period	**5,714**	9,974
Profit for the period from discontinued operations	**-**	(1,502)
Taxation	**2,194**	3,903
Fair value on interest rate derivatives	**1,630**	2,780
Finance costs	**4,798**	5,275
Investment revenue	**(356)**	(453)
Other gains	**-**	(100)
Group operating profit	**13,980**	19,877
Adjustments for		
Depreciation of property, plant and equipment	**4,128**	4,040
Impairment of property, plant and equipment	**1,051**	815
Property related provisions	**1,862**	401
Write off of display inventories	**1,281**	-
Share option charge	**176**	127
Decrease/(increase) in trade and other receivables	**337**	(3,351)
(Increase)/decrease in inventories	**(207)**	1,853
Decrease in payables	**(1,888)**	(3,991)
Cash generated by operations	**20,720**	19,771
Interest paid	**(4,795)**	(5,308)
Taxation paid	**(3,883)**	(4,112)
Net cash from operating activities	**12,042**	10,351
Investing activities		
Interest received	**616**	107
Purchase of property, plant and equipment	**(10,535)**	(4,292)
Proceeds on disposal of property, plant and equipment	**5**	949
Net cash used in investment activities	**(9,914)**	(3,236)
Financing activities		
Dividends paid	**(2,817)**	-
Proceeds from issue of share capital	**23**	14,874
New loans	**60,000**	-
Loan issue costs	**(1,125)**	-
Repayment of bank loans	**(91,000)**	(7,500)
Net cash (used in)/from financing activities	**(34,919)**	7,374
Net (decrease)/increase in cash and cash equivalents	**(32,791)**	14,489
Cash and cash equivalents at beginning of period	**41,879**	27,270
Effect of foreign exchange rate changes	**-**	120
Cash and cash equivalents at end of period	**9,088**	41,879

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 52 week period ended 1 October 2011

1 GENERAL INFORMATION

Topps Tiles Plc is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 27. The nature of the Group's operations and its principal activities are set out in the Directors' Report on page 23.

These financial statements are presented in Sterling because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out in note 2.

Adoption of new and revised standards

In the current period, the following new and revised standards and interpretations have been adopted and have affected or may affect in the future the amounts reported in the financial statements.

IFRS 3 (revised 2008) "Business Combinations". Following an amendment to IFRS 3 all acquisition costs are charged to the statement of financial performance for all business combinations acquired after 1 July 2009.

IFRIC 17 "Distributions of Non-cash Assets to Owners". The interpretation provides guidance on when an entity should recognise a non-cash dividend payable, how to measure the dividend payable and how to account for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when the payable is settled.

The following amendments were made as part of Improvements to IFRSs (2009):

Amendments to IFRS 2 "Share-based Payments". IFRS 2 has been amended following the issue of IFRS 3 (2008). This has clarified the accounting for share-based payment transactions between group entities.

Amendments to IAS 17 "Leases". IAS 17 has been amended such that it may be possible to classify a lease of land as a finance lease if it meets the criteria for that classification under IAS 17.

Amendments to IAS 39 "Financial Instruments: Recognition and Measurement". IAS 39 has been amended to state that option contracts between an acquirer and a selling shareholder to buy or sell an acquiree that will result in a business combination at a future acquisition date are not excluded from the scope of this standard.

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

IAS 24 (revised 2009)	Related Party Disclosures
IFRS 7 (revised 2010)	Disclosures – Transfers of Financial Assets
Improvements to IFRSs (2010)	

The Directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Group.

2 ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"). The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS regulation. The financial statements have been prepared on the historical cost basis, except for the revaluation of derivative financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

b) Going concern

Based on a detailed review of the risks and uncertainties discussed within the Business Review, and management's current expectations, the Board has a reasonable expectation that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern.

The current economic climate and most recent trading period creates a degree of uncertainty in the outlook and our forecasts are sensitive to relatively small changes in sales and margin assumptions. This uncertainty, combined with the financial covenants included in our loan facilities, has led the Board to conduct a detailed review of a number of different trading scenarios and possible mitigating actions should they be required. Mitigating actions would include further cost reductions, working capital management, reduced investment, freehold property disposal and possible review of dividend policy.

Based on this analysis the Board have concluded that in the event that the level of like-for-like sales highlighted in the current trading section of the CEO's Report were to continue for the whole of the financial period ending 29 September 2012, some form of mitigating actions would be required but once taken into account the Group would fully meet all of its future financial commitments. The Board therefore considers it appropriate to prepare the financial statements on the going concern basis.

2 ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies adopted are set out below.

c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of financial performance from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

d) Financial period

The accounting period ends on the Saturday which falls closest to 30 September, resulting in financial periods of either 52 or 53 weeks.

Throughout the financial statements, Directors' Report and Business Review, references to 2011 mean at 1 October 2011 or the 52 weeks then ended; references to 2010 mean at 2 October 2010 or the 53 weeks then ended.

e) Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisitions before the date of transition to IFRSs has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date. Goodwill of £5,080,000 written off to reserves under UK GAAP prior to 1998 has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue for the Tesco Clubcard scheme is recognised on a gross profit basis as services are provided on an agency basis.

Sales returns are provided for based on past experience and deducted from income.

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

g) Exceptional items
The Group has identified certain items as exceptional where they relate to increased costs incurred in the period that it does not expect to be consistent on an annual basis and where Directors consider the separate disclosure to be necessary to understand the Group's performance. The principles applied in identifying exceptional costs are consistent between periods.

h) Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost of assets less estimated residual value over their estimated useful lives on the following bases:

Freehold buildings	2% per annum on cost on a straight-line basis
Short leasehold land and buildings	over the period of the lease, up to 25 years on a straight-line basis
Fixtures and fittings	over 10 years or at 25% per annum on a reducing balance basis as appropriate
Motor vehicles	25% per annum on a reducing balance basis

Freehold land is not depreciated.

Residual value is calculated on prices prevailing at the date of acquisition.

Assets held in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of financial performance.

i) Impairment of tangible and intangible assets excluding goodwill
At each period end the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

j) Inventories
Inventories are stated at the lower of cost and net realisable value and relate solely to finished goods for resale. Cost comprises purchase price of materials and an attributable proportion of distribution overheads based on normal levels of activity and is valued at standard cost. Net realisable value represents the estimated selling price less costs to be incurred in marketing, selling and distribution. Provision is made for those items of inventory where the net realisable value is estimated to be lower than cost. The net replacement value of inventories is not considered materially different from that stated in the consolidated statement of financial position.

Inventories written down and expensed in the year amounted to £2,292,000 (2010: £2,493,000). Additionally, £1,281,000 has been written off in relation to display inventories.

2 ACCOUNTING POLICIES (CONTINUED)

k) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of financial performance because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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 difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 based on tax laws and rates that have been enacted at the balance sheet date. Deferred tax is charged or credited in the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

l) Foreign currency

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in Sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of transactions. At each period end, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the statement of financial performance for the period.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in statement of financial performance for the period.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing at the period end dates. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity in the Group's foreign exchange reserve. Such differences are recognised as income or expense in the period in which the operation is disposed of.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

m) Leases
Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease, except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

n) Investments
Fixed asset investments are shown at cost less provision for impairment.

o) Retirement benefit costs
For defined contribution schemes the amount charged to the statement of financial performance in respect of pension costs is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

p) Finance costs
Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

All other finance costs of debt are recognised in the statement of financial performance over the term of the debt at a constant rate on the carrying amount.

q) Financial instruments
Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL
Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL. The Group has no designated FVTPL financial assets.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. Fair value is determined in the manner described in note 2v.

Loans and receivables
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets and liabilities classified as at FVTPL.

2 ACCOUNTING POLICIES (CONTINUED)

q) Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash within three months and are subject to an insignificant risk of changes in value.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

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

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. The Group does not have any designated FVTPL liabilities.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of disposal in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. Fair value is determined in the manner described in note [illegible].

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

q) Financial instruments (continued)

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

The Group uses foreign exchange forward contracts and interest rate swap contracts to manage these exposures. The Group does not hold or issue derivative financial instruments for speculative purposes.

The use of financial derivatives is governed by the Group's policies approved by the Board of Directors on the use of financial derivatives.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

r) Share-based payments

The Group has applied the requirements of IFRS 2 Share-based Payments. In accordance with the transitional provisions, IFRS 2 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of [illegible] 2005.

The Group issues equity-settled share options to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the share-based payment is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Black Scholes model.

The Group provides employees with the ability to purchase the Group's ordinary shares at 80% of the current market value through the operation of its share save scheme. The Group records an expense based on its estimate of the 20% discount related to shares expected to vest on a straight-line basis over the vesting period.

s) Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

t) Operating profit

Operating profit is stated after charging restructuring costs but before property disposals, investment income and finance costs.

u) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

2 ACCOUNTING POLICIES (CONTINUED)

v) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgement, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that has the most significant effect on the amounts recognised in financial statements is the detailed criteria for the recognition of revenue from the sale of goods set out in IAS 18 Revenue and, in particular, whether the Group has transferred to the buyer the significant risks and rewards of ownership of the goods. The Group only recognises revenue where this is the case.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the period end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

Impairment of property, plant and equipment

During the period the Group has closed four stores in the UK including some before their lease end dates. As the fixtures and fittings within these stores cannot be reused in other locations within the Group the carrying value of these assets has been fully provided for in the period. Additional [illegible]

Onerous lease provisions

During the period the Group has continued to review the performance of its store portfolio which has resulted in no further stores being exited before their lease term has expired (2010: eight stores). In respect of any leases in relation to stores exited before the lease end dates in prior periods that are still vacant the Group has provided for what it considers to be the unavoidable costs prior to lease termination or sublease. The Group has further reviewed any trading loss making stores and provided for those leases considered to be onerous. These estimates are based upon available information and knowledge of the property market. The ultimate costs to be incurred in this regard may vary from the estimates.

Dilapidations provision

The Group has estimated its likely dilapidation charges for its store portfolio and provided accordingly. This estimate involves an assessment of average costs per store over the expected exit period for the current portfolio, and is based on management's best estimate taking into account knowledge of the property market and historical trends. The ultimate costs to be incurred may vary from the estimates.

Fair value of derivatives and other financial instruments

As described above, the Directors use their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied such as discounted cash flows and option [illegible] market volatility.

Tax

The Directors are aware of the material impact that corporation tax has on the Group's accounts and therefore they ensure that the Group's policy is to provide at a sufficient level for both current and deferred tax liabilities.

3 REVENUE

An analysis of Group revenue is as follows:

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Topps Tiles	**162,932**	165,068
Tile Clearing House	**12,593**	17,338
Revenue from the sale of goods	**175,525**	182,406
Interest receivable	**316**	457
Fair value gain on forward currency contracts	**40**	–
Total revenue	**175,881**	182,863

Interest receivable represents gains on loans and receivables. There are no other gains recognised in respect of loans and receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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4 BUSINESS SEGMENTS

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Executive to allocate resources to the segments and to assess their performance. These segments comprise (a) Topps Tiles retail operations in the UK, (b) TCH retail operations in the UK and (c) the Topps Tiles store operation in Holland which was disposed of on 27 December 2009.

Segment result represents the profit/(loss) earned by each segment without allocation of the central administration costs including Directors' salaries, other gains and losses, investment income, finance costs, fair value loss on interest rate derivatives and income tax expense.

Revenues from major products and services and information about major customers
The Group's principal activity being a 'specialist tile and wood flooring retailer' is reported in the segments shown below and due to its wide product offering the disclosure of revenues from major products is not appropriate. As the Group's revenue is derived from sales to the general public it has no reliance on any individual major customer.

Geographical segments
The Group's reporting format is by business segment. Although the Group operated in two geographic segments, the UK and Holland, during the previous period, neither the revenues from sales to external customers nor the value of assets within Holland represented more than 10% of Group totals.

The following is an analysis of the Group's revenue and results by reportable segment.

52 weeks ended 1 October 2011	Topps £'000	TCH £'000	Consolidated £'000
Revenue	162,932	12,593	175,525
Segment result	15,218	30	15,248
Central administration costs			(1,268)
Operating profit			13,980
Investment revenues			356
Finance costs			(4,798)
Fair value loss on interest rate derivatives			(1,630)
Profit before tax			7,908
Tax			(2,194)
Profit after tax			5,714

Other information

	Topps £'000	TCH £'000	Head office/ distribution centre £'000	Consolidated £'000
Capital additions	6,031	66	4,727	10,824
Depreciation	2,811	899	418	4,128
Impairment losses recognised	275	695	81	1,051
Balance sheet				
Segment assets	125,086	5,077	-	130,163
Unallocated corporate assets	-	-	(51,953)	(51,953)
Consolidated total assets	125,086	5,077	(51,953)	78,210
Segment liabilities	(19,676)	(5,357)	-	(25,033)
Unallocated corporate liabilities	-	-	(78,639)	(78,639)
Consolidated total liabilities	(19,676)	(5,357)	(78,639)	(103,672)

Unallocated corporate assets include the Group's overdraft which in the statement of financial position is presented net within cash and cash equivalents due to a legal right of offset between Group entities.

4 BUSINESS SEGMENTS (CONTINUED)

Unallocated corporate liabilities comprise bank loans, derivatives, corporation and deferred tax liabilities and sundry head office creditors.

53 weeks ended 2 October 2010	Topps £'000	TCH £'000	Topps Floorstore £'000	Discontinued operations £'000	Consolidated £'000
Revenue	165,068	17,338	1,014	(1,014)	182,406
Segment result	20,276	964	1,022	(1,022)	21,240
Central administration costs					(1,363)
Operating profit					19,877
Other gains and losses					100
Investment revenues					453
Finance costs					(5 275)
Fair value loss on interest rate derivatives					(2,780)
Profit before tax					12 375
Tax					(3,903)
					8,472
Profit for the period from discontinued operations					1 502
Profit after tax and discontinued operations					9,974

Other information

	Topps £'000	TCH £'000	Topps Floorstore £'000	Head office/ distribution centre £'000	Discontinued operations £'000	Consolidated £'000
Capital additions	2,986	836	–	1,031	–	4 853
Depreciation	2,704	952	3	384	(3)	4 040
Impairment losses recognised	374	441	48	–	(48)	815
Balance sheet						
Segment assets	113 223	8 268	–	–	–	121,491
Unallocated corporate assets	–	–	–	(15,260)	–	(15,260)
Consolidated total assets	113,223	8,268	–	(15,260)	–	106,231
Segment liabilities	(20,824)	(5,707)	–	–	–	(26,531)
Unallocated corporate liabilities	–	–	–	(108,230)	–	(108,230)
Consolidated total liabilities	(20,824)	(5,707)	–	(108,230)	–	(134,761)

5 EXCEPTIONAL ITEMS

During 2011 nine stores (2010: nine) were closed or converted and the Group conducted an impairment review of the fixed assets held by its loss-making stores resulting in an impairment of property, plant and equipment totalling £1,051,000. The Group also reviewed its potential exposure to future lease commitments pertaining to loss making stores and those stores held for future development, resulting in a charge of £1,862,000 (2010: £401,000). Additionally an assessment of the carrying value of display inventories has been performed leading to a write off of £1,281,000.

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Included in cost of sales		
Write off of display inventories	**1,281**	–
Included in administrative expenses		
Property related provisions	**1,862**	401
Impairment of property, plant and equipment	**1,051**	815
	4,194	1 216

6 PROFIT BEFORE TAXATION

Profit before taxation for the period has been arrived at after charging/(crediting):

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Depreciation of property, plant and equipment	**4,128**	4,040
Impairment of property, plant and equipment	**1,051**	815
Disposal of property, plant and equipment	**58**	-
Property related provisions	**1,862**	401
Staff costs (see note 7)	**42,216**	40,152
Operating lease rentals	**20,881**	20,861
Write down of inventories recognised as an expense	**2,292**	2,493
Write off of display inventories	**1,281**	-
Cost of inventories recognised as expense	**67,331**	72,761
Net foreign exchange (gain)/loss	**(84)**	17

Analysis of auditor's remuneration is provided below:

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Fees payable to the Company's auditor with respect to the Company's annual accounts	**40**	40
Fees payable to the Company's auditor and their associates for other audit services to the Group		
Audit of the Company's subsidiaries pursuant to legislation	**104**	105
Total audit fees	**144**	145
Tax services		
compliance services	**34**	47
advisory services	**75**	21
Total non audit fees	**109**	68
	253	213

A description of the work of the Audit Committee is set out on page 32 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the auditor.

7 STAFF COSTS

The average monthly number of persons [illegible] employed by the [illegible] during the [illegible] period (including Executive Directors) was:

	52 weeks ended 1 October 2011 Number employed	53 weeks ended 2 October 2010 Number employed
Selling	**1,467**	1,441
Administration	**194**	174
	1,661	1,615

	2011 £'000	2010 £'000
Their aggregate remuneration comprised		
Wages and salaries (including LTIP, see note 32)	**38,410**	36,541
Social security costs	**3,657**	3,430
Other pension costs (see note 31b)	**149**	181
	42,216	40,[illegible]52

Details of Directors' emoluments are disclosed on page 35. Employee profit sharing of £[illegible] million (2010: £[illegible] million) is included in the above and comprises sales commission and bonuses.

8 OTHER GAINS

Other gains in the previous period related to the sale of [illegible] held property.

9 INVESTMENT REVENUE, FINANCE COSTS AND FAIR VALUE LOSS ON INTEREST RATE DERIVATIVES

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Investment revenue		
Bank interest receivable and similar income	**316**	457
Fair value gain/(loss) on forward currency contracts	**40**	(4)
	356	453
Finance costs		
Interest on bank loans and overdrafts	**(4,798)**	(5,275)

No finance costs are appropriate to be capitalised in the period or the prior period.

Interest on bank loans and overdrafts represents gains and losses on financial liabilities measured at amortised cost, including interest charges [illegible] together with interest paid on the interest rate derivatives of £[illegible] (2010: £2,678,000). There are no other gains or losses recognised in respect of financial liabilities measured at amortised cost. Net losses from the movement in fair value on held for trading assets and liabilities (derivative instruments) were £1,590,000 (2010: £2,784,000), which include fair value losses on interest rate swaps of £1,630,000 (2010: £2,780,000) and fair value gains on forward currency contracts of £40,000 (2010: £4,000 loss).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

10 TAXATION

Continuing operations	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Current tax – charge for the year	**3,620**	5,276
Current tax – adjustment in respect of previous periods	**(381)**	(39)
Deferred tax – effect of reduction in UK corporation tax rate	**168**	(31)
Deferred tax – credit for year (note 22)	**(1,097)**	(1,246)
Deferred tax – adjustment in respect of previous periods (note 22)	**(116)**	(57)
	2,194	3,903

Corporation tax in the UK is calculated at 27% (2010: 28%) of the estimated assessable profit for the period.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The charge for the period can be reconciled to the profit per the statement of financial performance as follows:

Continuing operations	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Profit before taxation	**7,908**	12,375
Tax at the UK corporation tax rate of 27% (2010: 28%)	**2,135**	3,465
Tax effect of expenses that are not deductible in determining taxable profit	**262**	173
Tax effect of chargeable gain lower than profit on sale of freehold property	**-**	(28)
Tax effect of tangible fixed assets which do not qualify for capital allowances	**294**	389
Tax effect of adjustment in respect of prior periods	**(497)**	(96)
Tax expense for the period	**2,194**	3,903

Discontinued operations	2011 £'000	2010 £'000
Current tax – adjustment in respect of previous periods	**-**	(480)
	-	(480)

11 DISCONTINUED OPERATIONS

On 18 December 2009 the Group announced that it was withdrawing funding to the Dutch operation which resulted in Topps Retail BV being placed into administration on 22 December 2009. The transaction was completed on 22 December 2009 on which date control of Topps Retail BV passed to the administrator and was therefore accounted for as a disposal in the consolidated financial statements.

The results of the discontinued operations, which have been included in the consolidated statement of financial performance, were as follows:

	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Revenue	-	1,014
Expenses	-	(1,329)
Loss before tax	-	(315)
Attributable tax expense	-	-
	-	(315)
Profit on disposal of discontinued operations	-	1,337
	-	1,022
Attributable tax expense	-	480
Net profit attributable to discontinued operations (attributable to owners of the Company)	-	1,502

During the year Topps Retail BV received £nil (2010: received £204,000) from the Group's net operating cash flows, paid £nil (2010: £nil) in respect of investing activities and paid £nil (2010: £nil) in respect of financing activities.

11 DISCONTINUED OPERATIONS (CONTINUED)

In the previous period a profit of £1,337,000 arose on the disposal of Topps Retail BV being the proceeds of disposal (£nil) net of the carrying amount of the subsidiary's assets and liabilities. Further detail is provided in the table below.

The effect of discontinued operations on segment results is disclosed in note 4.

The net liabilities of Topps Retail BV at the date of disposal are detailed below:

	22 December 2009 £'000
Property, plant and equipment	44
Inventories	596
Trade receivables	26
Current tax receivables	7
Trade payables	(773)
Sundry payables	(293)
Bank overdraft	(316)
Onerous lease provision	(340)
Foreign exchange reserve	(288)
	(1,337)
Total consideration	–
Gain on disposal	1,337

12 DIVIDENDS

	2011 £'000	2010 £'000
Interim dividend for the 26 week period ended 26 April 2011 of £0.005 (2010: £nil) per share	**942**	–
Proposed final dividend for the 52 week period ended 1 October 2011 of £0.006 (2010: £0.01) per share	**1,129**	1,882

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

13 EARNINGS PER SHARE

The calculation of earnings per share is based on the earnings for the financial period attributable to equity shareholders and the weighted average number of ordinary shares.

	2011 Number of Shares	2010 Number of Shares
Weighted average number of shares		
For basic earnings per share	**188,271,731**	185,643,741
Weighted average number of shares under option	**3,873,411**	4,123,000
For diluted earnings per share	**192,145,142**	189,766,741

13 EARNINGS PER SHARE (CONTINUED)

The calculation of the basic and diluted earnings per share used the denominators as shown above for both basic and diluted earnings per share. The adjusted earnings figure is based on the following data:

From continuing and discontinued operations	52 weeks ended 1 October 2011 £'000	53 weeks ended 2 October 2010 £'000
Profit after tax for the period	**5,714**	9,974
Post tax effect of		
Impairment of property, plant and equipment	**1,051**	863
Interest rate derivative charge	**1,190**	2,001
Fair value gain on foreign currency forward contracts	**(29)**	-
Property disposal gain	**-**	(100)
Loan issue cost write off	**133**	-
Property related provisions	**1,360**	(977)
Display inventory write off	**935**	-
Adjusted profit after tax for the period	**10,354**	11,761

From continuing operations	2011 £'000	2010 £'000
Profit after tax for the period	**5,714**	8,472
Post tax effect of		
Impairment of property, plant and equipment	**1,051**	815
Interest rate derivative charge	**1,190**	2,001
Fair value gain on foreign currency forward contracts	**(29)**	-
Property disposal gain	**-**	(100)
Loan issue cost write off	**133**	-
Property related provisions	**1,360**	289
Display inventory write off	**935**	-
Adjusted profit after tax for the period	**10,354**	11,477

From discontinued operations	52 weeks ended 1 October 2011	53 weeks ended 2 October 2010
Basic	**-**	0.81p
Diluted	**-**	0.79p

14 GOODWILL

	£'000
Cost and carrying amount at 26 September 2009 and 2 October 2010 and 1 October 2011	245

The balance of goodwill remaining is the carrying value that arose on the acquisition of Surface Coverings Ltd in 1998.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units that are expected to benefit from that business combination. Before recognition of any impairment losses, the carrying amount of goodwill has been allocated to the TCH segment.

The recoverable amounts are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates based on the Group's weighted average cost of capital. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. Discounted cash flows are calculated using a pre-tax rate of 7.0% (2010: 7.2%).

14 GOODWILL (CONTINUED)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next five years and extrapolates cash flows for the following five years. The growth rate applied does not exceed the average long-term growth rate for the relevant markets. The Group has conducted a sensitivity analysis on the impairment tests of the CGUs carrying value. There are no reasonable changes that would result in the carrying value of goodwill being reduced to its recoverable amount.

The accounting judgements and sources of estimation uncertainty involved in assessing any impairment loss are referred to in note 2 to the financial statements.

As a result of the annual test of impairment of goodwill, no impairment has been identified for the current period.

15 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings				
Cost	**Freehold £'000**	**Short leasehold £'000**	**Fixtures and fittings £'000**	**Motor vehicles £'000**	**Total £'000**
At 26 September 2009	14,854	1,842	43,719	206	60 621
Additions	1,002	–	3,832	19	4,853
Disposals	(850)	–	–	(202)	(1,052)
At 2 October 2010	15,006	1,842	47,551	23	64,422
Additions	4,699	–	6,058	67	10,824
Disposals	–	–	(3,343)	–	(3 343)
At 1 October 2011	**19,705**	**1,842**	**50,266**	**90**	**71,903**
Accumulated depreciation and impairment					
At 26 September 2009	1,378	1,270	25 285	104	28 037
Charge for the period	213	113	3 702	15	4 043
Provision for impairment	–	66	749	–	815
Eliminated on disposals	–	–	–	(112)	(112)
At 2 October 2010	1,591	1,449	29,736	7	32,783
Charge for the period	243	88	3,780	17	4 128
Provision for impairment	81	–	970	–	1,051
Eliminated on disposals	–	–	(3,780)	–	(3,280)
At 1 October 2011	**1,915**	**1,537**	**31,206**	**24**	**34,682**
Carrying amount					
At 1 October 2011	**17,790**	**305**	**19,060**	**66**	**37,221**
At 2 October 2010	13,415	393	17,815	16	31,639

Freehold land and buildings include £4,[illegible],000 of freehold land (2010: £4,104,000) on which no depreciation has been charged in the current period. There is no material difference between the carrying and market values.

Cumulative finance costs capitalised in the cost of tangible fixed assets amount to £nil (2010: £nil).

Contractual commitments for the acquisition of property, plant and equipment are detailed in note 31.

During the period, the Group has closed nine stores in the UK. As the fixtures and fittings within these stores cannot be re-used in other locations within the Group, the carrying value of these assets has been fully provided for in the period with the associated impairment charge included within other operating expenses.

16 SUBSIDIARIES

A list of the significant subsidiaries, including the name, country of incorporation and proportion of ownership interest is given in note 3 to the Company's separate financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

17 TRADE AND OTHER RECEIVABLES

	2011 £'000	2010 £'000
Amounts falling due within one year		
Amounts receivable for the sale of goods	**661**	573
Allowance for doubtful debts	**(104)**	(103)
Other debtors and prepayments		
– Rent and rates	**5,053**	5,503
– Other	**1,651**	1,671
	7,261	7,594

The Directors consider that the carrying amount of trade and other receivables at 1 October 2011 and 2 October 2010 approximates to their fair value on the basis of discounted cash flow analysis.

Credit risk

The Group's principal financial assets are bank balances and cash and trade receivables.

The Group considers that it has no significant concentration of credit risk. The majority of sales in the business are cash/card sales in the stores.

Total trade receivables (net of allowances) held by the Group at 1 October 2011 amounted to £0.[illegible] million (2010: £0.4 million). These amounts mainly relate to insurance generated sales and amounts due under the Tesco Club Card Scheme generating sales. In relation to these sales the average credit period taken is 41 days (2010: 3[illegible] days) and no interest is charged on the receivables. Trade receivables between 60 days and 120 days are provided for based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically. Of the trade receivables balance at the end of the year, £105,000 (2010: £100,000) is due from Independent Inspections and £105,000 (2010: £104,000) is due from Tesco PLC, the Group's two largest customers.

Included in the Group's trade receivable balance are debtors with a carrying amount of £131,000 (2010: £110,000) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these receivables is 165 days (2010: 124 days) however this ageing is distorted by four accounts totalling £11,000 (2010: £19,000) which are overdue by 202 days (2010: 202 days).

Ageing of past due but not impaired receivables

	2011 £'000	2010 £'000
60 – 120 days	**63**	91
121 – 202 days	**68**	19

The allowance for doubtful debts was £104,000 at the end of the period (2010: £103,000). Given the minimal receivable balance the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The allowance for doubtful debts includes £104,000 relating to individually impaired trade receivables (2010: £103,000) which are due from companies that have been placed into liquidation.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with associated rights of set off, net of bank overdrafts with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value. A breakdown of significant bank and cash balances by currency is as follows:

	2011 £'000	2010 £'000
Sterling	**7,607**	41,109
US dollar	**715**	331
Euro	**766**	439
Total cash and cash equivalents	**9,088**	41,879

19 OTHER FINANCIAL LIABILITIES

Trade and other payables

	2011 £'000	2010 £'000
Amounts falling due within one year		
Trade payables	**11,316**	12,489
Other payables	**3,419**	3,406
Accruals and deferred income	**9,370**	9,693
	24,105	25,588

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 35 days (2010: 41 days). No interest is charged on these payables.

The Directors consider that the carrying amount of trade payables at 1 October 2011 and 2 October 2010 approximates to their fair value on the basis of discounted cash flow analysis.

20 BANK LOANS

	2011 £'000	2010 £'000
Bank loans (all Sterling)	**59,024**	90,716
The borrowings are repayable as follows		
On demand or within one year	**-**	7,500
In the second year	**-**	7,500
In the third to fifth year	**60,000**	76,000
	60,000	91,000
Less: Total unamortised issue costs	**(976)**	(284)
	59,024	90,716
Less: amount due for settlement within 12 months (shown under current liabilities)	**-**	(7,500)
Issue costs to be amortised within 12 months	**265**	250
Amount due for settlement after 12 months	**59,289**	83,466

The Directors consider that the carrying amount of the bank loan at 1 October 2011 and 2 October 2010 approximates to its fair value since the amounts relate to floating rate debt.

The average weighted interest rates paid on the loan were as follows:

	2011 %	2010 %
Loans	**3.11**	2.67

The Group borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

Whilst the interest charge on the loan has fallen compared to the prior period, the Group has seen limited benefit due to the interest rate derivatives which negate the majority of any impact of the interest rate movement.

During the period the Group successfully refinanced its loan facilities and now has in place a £75.0 million committed revolving credit facility expiring in May 2015. As at the financial period end £60.0 million of this facility was drawn, with a further £15.0 million of undrawn financing available. The loan facility contains financial covenants which are tested on a bi-annual basis.

At 1 October 2011 the Group had available £15 million (2010: £5 million) of undrawn committed banking facilities.

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21 FINANCIAL INSTRUMENTS

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2010. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 20, cash and cash equivalents disclosed in note 18 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in notes 23 to 30.

The Group is not subject to any externally imposed capital requirements.

Significant accounting policies
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2q to the financial statements.

Categories of financial instruments

	Carrying value and fair value 2011 £'000	2010 £'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	**16,349**	49,473
Financial liabilities		
Held for trading	**12,186**	10,557
Amortised cost	**83,394**	116,304

The Group considers itself to be exposed to risks on financial instruments including market risk (including currency risk), credit risk, liquidity risk and cash flow interest rate risk.

The Group seeks to mitigate the effects of these risks by using derivative financial instruments to hedge these risk exposures economically. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risks
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including:

- forward foreign exchange contracts to hedge the exchange rate risk arising on the import of goods from South America and China; and
- interest rate swaps and collars to mitigate the risk of movements in interest rates.

Foreign currency risk management
The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets 2011 £'000	Assets 2010 £'000	Liabilities 2011 £'000	Liabilities 2010 £'000
Euro	**766**	439	**1,027**	1,129
US dollar	**715**	331	**128**	329

21 FINANCIAL INSTRUMENTS (CONTINUED)

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of China and Brazil (US dollar currency) and from various European countries (Euro) as a result of inventory purchases. The following table details the Group's sensitivity to a 10% increase and decrease in Sterling against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit and other equity where Sterling strengthens 10% against the relevant currency.

	2011 £'000	2010 £'000
Profit or Loss movement on a 10% strengthening in Sterling against the Euro	**24**	63
Profit or Loss movement on a 10% strengthening in Sterling against the US Dollar	**(53)**	–
Profit or Loss movement on a 10% weakening in Sterling against the Euro	**(29)**	(77)
Profit or Loss movement on a 10% weakening in Sterling against the US Dollar	**65**	–

Currency derivatives

The Group utilises currency derivatives to hedge significant future transactions and cash flows. The Group uses foreign currency forward contracts in the management of its exchange rate exposures. The contracts are denominated in US dollars and Euros.

At the balance sheet date, the total notional amounts of outstanding forward foreign exchange contracts that the Group has committed to are as below:

	2011 £'000	2010 £'000
Forward foreign exchange contracts	**4,778**	4,356

These arrangements are designed to address significant exchange exposures for the first half of 2012 and are renewed on a revolving basis as required.

At 1 October 2011 the fair value of the Group's currency derivatives is a £70,000 asset within other debtors and prepayments (note 17) (2010: an asset of £22,000). These amounts are based on market value of equivalent instruments at the balance sheet date.

Gains of £40,000 are included in investment revenues (note 9) (2010: losses of £4,000).

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swap contracts and collars. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit would be impacted as follows:

	50 basis points increase in interest rates		50 basis points decrease in interest rates	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Profit or (loss)	**1,553**	1,443	**(1,280)**	(1,385)

The Group's sensitivity to interest rates mainly relates to the interest rate derivatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

21 FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate derivatives
The Group uses interest rate derivatives to manage its exposure to interest rate movements on its bank borrowings.

The Group's interest rate derivatives comprise

- 5 year interest rate cap with a notional value of £20 million (2010: £20 million) with interest capped at 6%
- 5 year interest rate swap with a notional value of £20 million (2010: £20 million) paying interest at a fixed rate of 5.65%
- 10 year cancellable collar with a notional value of £20 million (2010: £60 million) with a cap of 5.6% and a floor of 4.49%; the interest rate within this range is LIBOR less 0.4%. When LIBOR falls below the floor the interest rate resets to a fixed level of 5.55%

The fair value liability of the swaps entered into at 1 October 2011 is estimated at £12,186,000 (2010: £10,557,000). Amounts of £1,630,000 have been charged to the statement of financial performance in the period (2010: £2,760,000).

On 27 October 2011 the Group settled the 5 year interest rate swap for a consideration of £5,776,000. Additionally on [illegible] November 2011 the Group entered into a legally binding agreement to [illegible] [illegible] the 10 year cancellable collar which will be settled on 2 April 2012 for a consideration of £6,120,000.

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Management has considered the counterparty risk associated with the group's cash deposits and derivatives and does not consider these to be material. The Group has a policy of only dealing with creditworthy counterparties. The Group's exposure to its counterparties is reviewed periodically. Trade receivables are minimal consisting of a number of insurance companies and sundry trade accounts; further information is provided in note 17.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in note 20 is a description of additional undrawn facilities that the Group has at its disposal to reduce liquidity risk further.

Liquidity and interest risk tables
The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows [illegible] on the assumption that the variable interest rate remains consistent [illegible] forecast [illegible] level of 3.47 [illegible]% (2010: 2.7465%) of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

2011	Less than 1 month £'000	1-3 months £'000	3 months to 1 year £'000	1-5 years £'000	Total £'000
Non interest bearing	**24,105**	–	–	–	**24,105**
Variable interest rate instruments	–	**555**	**1,107**	**66,595**	**68,257**

2010	Less than 1 month £'000	1-3 months £'000	3 months to 1 year £'000	1-5 years £'000	Total £'000
Non interest bearing	25,588	–	–	–	25,588
Variable interest rate instruments	630	418	9,290	84,266	94,604

The Group is now financed through a £75 million (£60 million utilised) revolving credit facility. In the previous period the total unused amount of financing facilities was £5 million at the balance sheet date. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

21 FINANCIAL INSTRUMENTS (CONTINUED)

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows/(outflows) on the derivative instruments that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest and foreign currency rates as illustrated by the yield curves existing at the reporting date.

2011	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	5+ years £'000	Total £'000
Interest rate swaps payments	**(476)**	**(119)**	**(795)**	**(11,704)**	**(688)**	**(13,782)**
Foreign exchange forward contracts payments	**–**	**(2,356)**	**(2,422)**	**–**	**–**	**(4,778)**
Foreign exchange forward contracts receipts	**–**	**2,399**	**2,449**	**–**	**–**	**4,848**

2010	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	5+ years £'000	Total £'000
Interest rate swaps payments	–	(603)	(1,572)	(6,606)	(2,331)	(11,112)
Foreign exchange forward contracts payments	–	(1,933)	(2,423)	–	–	(4,356)
Foreign exchange forward contracts receipts	–	1,928	2,450	–	–	4,378

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.
- Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.
- Interest rate collars are measured using applicable yield curves derived from quoted interest rates and market volatilities.

The fair values are therefore categorised as Level 2, based on the degree to which the fair value is observable. Level 2 fair value measurements are those derived from inputs other than unadjusted quoted prices in active markets (Level 1) that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

22 PROVISIONS

	2011 £'000	2010 £'000
Onerous lease provision	**1,097**	823
Dilapidations provision	**1,458**	474
	2,555	1,297
Current	**1,075**	–
Non current	**1,480**	1,297
	2,555	1,297

	Onerous lease provision £'000	Dilapidations provision £'000	Total £'000
At 2 October 2010	823	474	1,297
Additional provision in the year	748	1,114	1,862
Utilisation of provision	(474)	(121)	(595)
Release of provision in the year	–	(9)	(9)
At 1 October 2011	**1,097**	**1,458**	**2,555**

22 PROVISIONS (CONTINUED)

The onerous lease provision [illegible] and loss making stores [illegible] the provision is expected to be utilised over the following [illegible] financial periods. The dilapidations provision represents management's best estimate of the Group's liability under its property lease arrangements based on past experience and is expected to be utilised over the following seven financial periods.

The following are the deferred tax liabilities/(assets) recognised by the Group and movements thereon during the current and prior reporting period.

	Accelerated tax depreciation £'000	Other short-term timing differences £'000	Share-based payments £'000	Exchange rate differences £'000	Interest rate hedging £'000	Rent free £'000	Total £'000
As at 26 September 2009	2,421	–	(213)	9	(263)	(77)	1,877
Credit to income	(86)	(53)	(11)	(1)	(1,174)	22	(1,303)
Impact of rate change	(138)	2	–	–	106	(1)	(31)
Credit to equity	–	–	(121)	–	–	–	(121)
As at 2 October 2010	2,197	(51)	(345)	8	(1,331)	(56)	422
(Credit)/charge to income	(204)	7	9	10	(909)	19	(1,068)
Impact of rate change	(146)	2	–	(1)	166	2	23
Charge to equity	–	–	28	–	–	–	28
As at 1 October 2011	**1,847**	**(42)**	**(308)**	**17**	**(2,074)**	**(35)**	**(595)**

The Government announced in March 2011 that it intended to reduce the rate of corporation tax from 28% to 23% by 1 April 2014 and the Finance Act 2011, which was [illegible] enacted in July 2011 [illegible] 25% [illegible] April 2012. Accordingly [illegible] 25% [illegible] in the income statement of £23,000.

23 CALLED-UP SHARE CAPITAL

	2011 £'000	2010 £'000
Authorised 240,000,000 (2010 240,000,000) ordinary shares of 3 33p each (2010 3 33p)	**8,000**	8,000
Authorised 37,000,000 (2010 37,000,000) redeemable B shares of £0 54 each	**19,980**	19,980
Authorised 124,890,948 (2010 124,890,948) irredeemable C shares of £0 001 each	**125**	125
	28,105	28,105
Issued and fully paid 188,365,802* (2010 188,202,323) ordinary shares of 3 33p each (2010 3 33p)	**6,279**	6,273
Total	**6,279**	6,273

In the previous period the Group issued 17,109,302 shares as part of a placing and open offer on 27 November 2009. The issue increased the number of shares from 171,093,021 to 188,202,323. Under the arrangements of the placing the Company issued shares in exchange for shares in [illegible] Finance Jersey Limited. No share premium was ultimately recorded in the Company's financial statements through the operation of the merger relief provisions of the Companies Act 2006. The subsequent redemption of these shares gave rise to distributable profits of £[illegible] million which were transferred to retained earnings.

During the period the Group issued 163,479 (2010 none) ordinary shares with a nominal value of £5,449 (2010 £nil) under share option schemes for an aggregate cash consideration of £26,094 (2010 £nil).

* During the period [illegible] shares were purchased by Topps Tiles Employee Benefit Trust on behalf of the Directors and senior Management team. These [illegible] held at the balance sheet date.

24 SHARE PREMIUM

	2011 £'000	2010 £'000
At start of period	**1,001**	1,001
Premium on issue of new shares	**21**	-
Shares issued in respect of placing and open offer	**-**	14,296
Transfer to retained earnings	**-**	(14,296)
At end of period	**1,022**	1,001

25 OWN SHARES

	2011 £'000	2010 £'000
At start of period	**-**	-
Issued in the period	**(4)**	-
At end of period	**(4)**	-

During the period a subsidiary [illegible] purchased [illegible] classified as own shares.

26 MERGER RESERVE

	2011 £'000	2010 £'000
At start of period	**(399)**	240
Release of reserve on disposal of subsidiary	**-**	(639)
At end of period	**(399)**	(399)

27 SHARE-BASED PAYMENT RESERVE

	2011 £'000	2010 £'000
At start of period	**367**	240
Credit to equity for equity settled share based payments	**176**	127
At end of period	**543**	367

28 CAPITAL REDEMPTION RESERVE

	2011 £'000	2010 £'000
At start and end of period	**20,359**	20,359

The capital redemption reserve arose on the cancellation of treasury shares [illegible] in 2006.

29 FOREIGN EXCHANGE RESERVE

	2011 £'000	2010 £'000
At start of period	**-**	336
Release of reserve on disposal of subsidiary	**-**	(336)
At end of period	**-**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

30 RETAINED EARNINGS

	£'000
At 27 September 2009	(81,161)
Release from Merger reserve on disposal of subsidiary	639
Transfer from the share premium account	14,296
Deferred tax on sharesave scheme taken directly to equity	121
Net profit for the period	9,974
At 2 October 2010	(56,131)
Dividends (note 12)	(2,817)
Deferred tax on sharesave scheme taken directly to equity	(28)
Net profit for the period	5,714
At 1 October 2011	**(53,262)**

The transfer from the share premium account in the previous period arose from the firm placing and open offer in November 2009. Within these arrangements the Company issued shares in exchange for ordinary shares and redeemable preference shares in Tail Finance Jersey Limited. No share premium was ultimately recorded in the Company financial statements through the operation of the merger relief provisions of the Companies Act 2006.

The realised gain was taken after the deduction of transaction costs of £0.5 million, principally as a result of commissions and professional charges.

The subsequent redemption of these shares gave rise to distributable profits of £[illegible] million which were transferred to retained earnings.

31 FINANCIAL COMMITMENTS

a) Capital commitments

At the end of the period there were capital commitments contracted [illegible] (2010: £nil).

b) Pension arrangements

The Group operates separate defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £149,000 (2010: £181,000).

c) Lease commitments

The Group has entered into non-cancellable operating leases in respect of motor vehicles, equipment and land and buildings.

Minimum lease payments under operating leases recognised as an expense for the period were £20,881,000 which includes property service charges of £69[illegible],000 (2010: £20,8[illegible]1,000 including property service charges of £649,000).

At the balance sheet date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2011		2010	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
– within 1 year	**18,401**	**1,156**	17,908	1,014
– within 2–5 years	**61,188**	**1,738**	58,796	1,922
– after 5 years	**66,485**	**39**	63,027	80
	146,074	**2,933**	139,731	3,016

Operating lease payments principally represent rentals payable by the Group for certain of its office and store properties. Leases are negotiated for an average term of 15 years and rentals are fixed for an average of five years (2010: same).

32 SHARE-BASED PAYMENTS

The Group operates two share option schemes in relation to its employees.

Equity-settled share option scheme

Options are exercisable at the middle market closing price for the working day prior to the date of grant and are exercisable three years from the date of grant if the employee is still employed by the Group at that date.

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

Date of grant	Option price	Exercisable period	No. of options outstanding 2011	2010
26 January 2001	**54p**	**7 Years**	**–**	78 020
12 February 2002	**54p**	**7 Years**	**40,779**	40 779
			40,779	118 799

Movements in share options are summarised as follows:

	2011 Number of share options	2011 Weighted average exercise price £	2010 Number of share options	2010 Weighted average exercise price £
Outstanding at beginning of period	**118,799**	**0 54**	122 299	0 54
Exercised during the period	**(41,520)**	**0 54**	–	–
Expired during the period	**(36,500)**	**0.54**	(3,500)	0 54
Outstanding at end of period	**40,779**	**0.54**	118,799	0 54
Exercisable at end of period	**40,779**	**0.54**	118,799	0 54

The options outstanding at 1 October 2011 had a weighted average exercise price of 54p (2010: 54p) and a weighted average remaining contractual life of one year (2010: one year).

Other share-based payment plans

Employee share purchase plans are open to almost all employees and provide for a purchase price equal to the daily average market price on the date of grant, less 20%. The shares can be purchased during a two week period each financial period. The shares so purchased are generally placed in the employee share savings plan for a three or five year period.

Movements in share-based payment plan options are summarised as follows:

	2011 Number of share options	2011 Weighted average exercise price	2010 Number of share options	2010 Weighted average exercise price
Outstanding at beginning of period	**5,452,947**	**19p**	5,974,783	19p
Issued during the period	**1,259,204**	**64p**	–	–
Expired during the period	**(482,588)**	**46p**	–	–
Exercised during the period	**–**	**–**	(521,836)	19p
Outstanding at end of period	**6,229,563**	**25p**	5,452,947	19p
Exercisable at end of period	**6,229,563**	**25p**	5,452,947	19p

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

32 SHARE-BASED PAYMENTS (CONTINUED)

The inputs to the Black Scholes Model for the above two schemes are as follows

		2011	2010
Weighted average share price	– pence	**31.5**	22 6
Weighted average exercise price	– pence	**25.2**	18 1
Expected volatility	– %	**74.1 and 67.9**	32 4
Expected life	– years	**3 or 5**	3 or 5
Risk – free rate of interest	– %	**0.7**	0 8
Dividend Yield	– %	**5.37**	5 04

Expected volatility was determined by calculating the historical volatility of the Groups share price over the previous three or five years (2010 same). The expected risk used in the model has been adjusted based on management's best estimate for the effects of nontransferability, exercise restrictions and behavioural forces

Deferred bonus long-term incentive plan

At the AGM in January 2010 a new deferred bonus long-term incentive plan (LTIP) was approved by shareholders. Under this long term incentive plan a proportion of the annual bonus is deferred in the form of shares for a two year period with a matching share award that vests at the end of two years subject to the achievement of performance conditions. 25% of the annual bonus has been deferred into shares on a net basis [illegible] with a further [illegible] on a gross basis which vests two years later subject to the achievement of performance conditions relating to continued employment in the business and EBITDA earnings growth [illegible] the two year period.

For the period ended 2 October 2010 it was determined [illegible] of basic salary for Executive Directors and the members of the Senior Management team 25% of the annual bonus [illegible] the deferred bonus long-term incentive plan. The total number of shares due to be awarded was 121,9[illegible] and the fair value of these deferred shares as at 1 October 2011 was £[illegible] (2010 £[illegible]9000)

The total number of matching shares that are expected to be awarded subject to fulfilment of the performance conditions is 229,378 and the fair value of these matching shares as at 1 October 2011 was £131,000. No options were granted or exercised during the period (2010 351,334). The options outstanding at 1 October 2011 had a weighted average exercise price of £0.69 and a weighted average remaining contractual life of one year. During the period matching shares concerning the 2010 bonus award were recognised as an expense. This amounted to £60,000 (2010 nil)

The inputs to the Black Scholes Model are as follows

		2011	2010
Weighted average share price	– pence	**65 8**	60 0
Weighted average exercise price	– pence	**–**	–
Expected volatility	– %	**45 3**	81 6
Expected life	– years	**2**	2
Risk – free rate of interest	– %	**0.6**	0 8
Dividend Yield	– %	**–**	–

Expected volatility was determined by calculating the historical volatility of the Groups share price over the 2009/10 and 2010/11 financial periods (2010 2008/09 and 2009/10 financial periods). The expected risk used in the model has been adjusted based on management's best estimate for the effects of nontransferability, exercise restrictions and behavioural forces

In total the Group recognised a total expense of £[illegible] (2010 £[illegible]) expense relating to share based payments

33 RELATED PARTY TRANSACTIONS

S K M Williams has the non statutory role of President advising on property matters and is a related party by virtue of his 10.6% shareholding [illegible] shares in the [illegible] share capital [illegible] [illegible] ordinary shares.

At 1 October 2011 S K M Williams was the landlord of three properties leased to [illegible] trading subsidiary of Topps Tiles Plc for £135,000 (2010: £154,000) per annum.

No amounts were outstanding with S K M Williams at 1 October 2011 (2010: £nil).

The lease agreements on all properties are operated on commercial arms length terms. His salary for the year in his role as President was £41,000 (2010: £41,000).

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note in accordance with exemption available under IAS 24.

The remuneration of the Board of Directors, who are considered key management personnel of the Group, was £1.1million (2010: £1.3 million) as well as share based payments of £nil (2010: £0.1 million). Further information about the remuneration of the individual Directors is provided in the Remuneration Report on pages 33 to 35.

34 EVENTS AFTER THE BALANCE SHEET DATE

On 27 October 2011 the Group settled the five year interest rate swap for [illegible] of £7[illegible]. Additionally on 1 November 2011 the Group entered into a legally binding agreement committing to a partial [illegible] amounting to 50% of the 10 year [illegible] which will be settled on 2 April 2012 for a consideration of £6,240,000.

This will have the effect of reducing the Groups annual interest charge moving forwards by approximately £1.25 million (at current LIBOR rates).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOPPS TILES PLC

We have audited the parent company financial statements of Topps Tiles Plc for the period ended 1 October 2011 which comprise the Company balance sheet and the related notes 1 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the parent company 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 parent company 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 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 annual report 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 parent company financial statements:

- give a true and fair view of the state of the parent company's affairs as at 1 October 2011;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the parent company financial statements.

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 and the part of the Directors' Remuneration Report to be audited 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.

Other matter

We have reported separately on the group financial statements of Topps Tiles Plc for the period ended 1 October 2011.

Timothy Edge (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

28 November 2011

COMPANY BALANCE SHEET

As at 1 October 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Investments	3	**2,928**	2,801
Current assets			
Debtors due within one year	4	**38**	630
Debtors due after one year	4	**221,200**	221,200
Cash at bank and in hand		**24,157**	29,139
		245,395	250,969
Creditors: Amounts falling due within one year	5	**(615)**	(1,390)
Net current assets		**244,780**	249,579
Net assets		**247,708**	252,380
Capital and reserves			
Called-up share capital	6,7	**6,279**	6,273
Share premium	7	**1,022**	1,001
Share-based payment reserve	7	**482**	323
Capital redemption reserve	7	**20,359**	20,359
Other reserve	7	**6,200**	6,200
Profit and loss account	7	**213,366**	218,224
Equity shareholders' funds		**247,708**	252,380

The financial statements of Topps Tiles Plc, Companies House number 3213782, were approved by the Board of Directors on 2[illegible] November 2011 and signed on its behalf by

M.T.M. Williams
Director

R. Parker
Director

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the 52 week period ended 1 October 2011

1 BASIS OF ACCOUNTING

The separate financial statements of the Company are presented as required by the Companies Act 2006. They have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards and law.

Based on a detailed review of the risks and uncertainties discussed within the Business Review, and management's current expectations, the Board has a reasonable expectation that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern.

The current economic climate and most recent trading period create a degree of uncertainty in the outlook and our forecasts are sensitive to relatively small changes in sales and margin assumptions. This uncertainty combined with the financial covenants included in our loan facilities has led the Board to conduct a detailed review of a number of different trading scenarios and possible mitigating actions should they be required. Mitigating actions would include further cost reductions, working capital management, reduced investment, freehold property disposal and possible review of dividend policy.

Based on this analysis the Board have concluded that in the event that the level of like-for-like sales highlighted in the current trading section of the CEO's Report were to continue for the whole of the financial period ending 29 September 2012, some form of mitigating actions would be required but once taken into account the Group would fully meet all of its future financial commitments. The Board therefore considers it appropriate to prepare the financial statements on the going concern basis.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding period.

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The Company makes [illegible] to the cost of investment in the subsidiary [illegible] employees. The [illegible] of the share options is £127,000 (2010: £28,000). In respect of the deferred tax [illegible] share-based [illegible] within the Company is £32,000 in respect of the [illegible] share options (2010: [illegible]) [illegible].

Fixed asset investments are shown at cost less provision for impairment.

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with other members of the Group and the exemption in FRS 29 for making disclosures relating to financial instruments.

2 PROFIT FOR THE YEAR

As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account for the period. Topps Tiles Plc reported a retained loss for the financial period ended 1 October 2011 of £4,858,000 (2010: £264,000 profit).

The auditors remuneration for services to the Company was £40,000 for audit related work (2010: £[illegible],000). Non-audit related work fees relating to the Company were totalled £nil (2010: £33,000). See note [illegible] to the Group financial statements for further details.

The Company had no other employees other than the Directors (2010: same) whose remuneration is detailed on page 35.

3 FIXED ASSET INVESTMENTS

	Shares £'000
At 27 September 2010	2,801
Movement in share options granted to employees	127
At 1 October 2011	**2,928**

3 FIXED ASSET INVESTMENTS (CONTINUED)

The Company has investments in the following subsidiaries which principally affected the profits or net assets of the Group. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

Subsidiary undertaking	% of issued shares held	Principal activity
Topalpha Limited*	100%	Property management and investment
Multi Tile Limited	100%	Retail and wholesale of ceramic tiles, wood flooring and related products
Topps Tiles Holdings	100%	Intermediate holding company
Topps Tiles (UK) Limited	100%	Retail and wholesale of ceramic tiles, wood flooring and related products
Topps Tiles Distribution Ltd	100%	Wholesale and distribution of ceramic tiles, wood flooring and related products
Topps Tiles Holdings BV*	100%	Retail and wholesale of ceramic tiles, wood flooring and related products

* Held directly by Topps Tiles Plc

The investments are represented by ordinary shares.

All undertakings are incorporated in Great Britain and are registered and operate in England and Wales except for Topps Tiles Holdings BV which is registered and incorporated in the Netherlands. A subsidiary of Topps Tiles Holdings BV, Topps Tiles Ireland BV, was placed into administration during the prior period.

4 DEBTORS

	2011 £'000	2010 £'000
Amounts falling due within one year		
Amounts owed by subsidiary undertakings	**4**	–
Other debtors	**28**	12
Prepayments and accrued income	**6**	618
	38	630
Amounts falling due after one year		
Amounts owed by subsidiary undertaking	**221,200**	221,200

In respect of the deferred bonus share award, a deferred tax asset has not been recognised as it is not probable that there will be sufficient taxable profits arising when the shares are awarded against which to relieve the deduction.

5 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £'000	2010 £'000
Trade and other creditors	**49**	12
Amounts owed to subsidiary undertakings	**292**	253
Accruals and deferred income	**274**	1,125
	615	1 390

NOTES TO THE COMPANY FINANCIAL STATEMENTS
CONTINUED

6 CALLED-UP SHARE CAPITAL

	2011 £'000	2010 £'000
Authorised 240,000,000 (2010 240,00,000) ordinary shares of 3 33p each (2010 3 33p)	**8,000**	8,000
Authorised 37000,000 (2010 37,000,000) redeemable B shares of £0 54 each	**19,980**	19980
Authorised 124,890,948 (2010 124,890,948) irredeemable C shares of £0 001 each	**125**	125
	28,105	28,105
Issued and fully paid 188 365,802* (2010 188,202 323) ordinary shares of 3 33p each (2010 3 33p)	**6,279**	6,273

* [illegible]

During the period the Group allotted 163 479 (2010 nil) ordinary shares with a nominal value of £5 447 (2010 £nil) under share option schemes for an aggregate cash consideration of £26 694 (2010 £nil) In the previous period the Group issued 17,109 302 shares as part of a placing and open offer which increased the number of shares from 171 093 021 to 188 202 323

7 RESERVES

Company	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 2 October 2010	6 273	1,001	323	20 359	6,200	218 224	252 380
Loss for the period	–	–	–	–	–	(4,858)	(4,858)
Issue of new shares	6	21	–	–	–	–	27
Credit to equity for equity settled share based payments	–	–	159	–	–	–	159
At 1 October 2011	**6,279**	**1,022**	**482**	**20,359**	**6,200**	**213,366**	**247,708**

* At 1 October 2011 the Directors consider the other reserve of £6,200 000 to remain non distributable

The Directors consider £203 106 000 of profit and loss account reserves not to be distributable at 1 October 2011 This arose on an unrealised gain on the intragroup disposal of subsidiary companies

FIVE YEAR RECORD

Unaudited

	52 weeks ended 29 September 2007 £'000	52 weeks ended 27 September 2008 £'000	52 weeks ended 26 September 2009 £'000	53 weeks ended 2 October 2010 £'000	**52 weeks ended 1 October 2011 £'000**
Group revenue	207,898	208,084	186,061	183,420	**175,525**
Group operating profit	44,342	34,620	16,425	20,899	**13,980**
Profit before taxation	37,833	27,723	4,904	13,397	**7,908**
Shareholders' deficit	(54,824)	(55,113)	(53,282)	(28,530)	**(25,462)**
Basic earnings per share	15.09p	9.56p	1.00p	5.37p	**3.04p**
Dividend per share	10.70p	3.00p	–	–	**1.50p**
Dividend cover	1.41	3.19	–	–	**1.92**
Average number of employees	1,722	1,743	1,625	1,615	**1,661**
Share price (period end)	196.8p	58.25p	94.41p	60.0p	**34.0p**

All figures quoted are inclusive of continued and discontinued operations

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Topps Tiles Plc (the "Company") will be held at Topps Tiles Plc, Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU on [illegible] at [illegible] for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the Company's Annual Report and Financial Statements for the financial period ended 1 October 201[illegible] together with the last Directors' Report, the last Directors' Remuneration Report and the Auditors' Report on those accounts and the auditable part of the Directors' Remuneration Report.
2. To declare a final dividend of 0.6p per Ordinary Share on the Ordinary Shares for the period.
3. To re-elect Matthew Williams as a Director of the Company.
4. To re-elect Robert Parker as a Director of the Company.
5. To re-elect Nicholas Ounstead as a Director of the Company.
6. To re-elect The Rt Hon. Michael Jack as a Director of the Company.
7. To re-elect Alan White as a Director of the Company.
8. To elect Claire Tiney, who has been appointed since the last Annual General Meeting, as a Director of the Company.
9. To re-appoint Deloitte LLP as Auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the Annual Report and Financial Statements are laid before the Company at a remuneration to be determined by the Directors.
10. To approve the Directors' Remuneration Report for the financial period ended 1 October 201[illegible] as set out in the Annual Report and Financial Statements for that period.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the resolutions set out below which, in the case of Resolution [illegible], will be proposed as an Ordinary Resolution and in the case of Resolutions [illegible] to 14 (inclusive) will be proposed as Special Resolutions:

11. THAT the Directors of the Company be generally and unconditionally authorised for the purposes of and pursuant to section 551 of the Companies Act 2006 (the "2006 Act") to allot Relevant Securities (as defined in the explanatory notes to this resolution) up to an aggregate nominal amount of £2,090,6[illegible]1 provided that this authority shall, unless renewed, varied or revoked by the Company, expire 15 months from the passing of this resolution or, if earlier, on the date of the next Annual General Meeting of the Company save that the Company may before such expiry make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.
12. THAT, subject to the passing of Resolution 11 above, the Directors of the Company be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash either pursuant to the authority conferred by Resolution 11 or by way of a sale of treasury shares as if section 561(1) of the 2006 Act did not apply to any such allotment provided that this power shall be limited to:
    (a) the allotment of equity securities pursuant to a rights issue or similar offer to Ordinary Shareholders where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (as nearly as practicable) taking into account any prohibitions against, or difficulties concerning, the making of an offer or allotment to shareholders to those registered addresses or place of residence is overseas and subject to such exclusions as the Directors of the Company may deem necessary or expedient to deal with fractional entitlements or record dates) to the respective numbers of Ordinary Shares held by them; and
    (b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of the greater of £313,62[illegible] or 5% of the issued share capital of the Company.

    The power granted by this resolution will expire 15 months from the passing of this resolution or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

13 THAT the Company be generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693(4) of the 2006 Act) of Ordinary Shares of 3 1/3 pence each in the capital of the Company ("Ordinary Shares") provided that

(a) the maximum number of Ordinary Shares hereby authorised to be purchased is 28,066,504 (representing 14.9% of the Company's issued Ordinary Share capital)

(b) the minimum price (exclusive of any expenses) which may be paid for an Ordinary Share is [illegible]

(c) the maximum price (exclusive of any expenses) which may be paid for an Ordinary Share is an amount equal to 105% of the average of the middle market quotations for an Ordinary Share derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such Ordinary Share is contracted to be purchased

(d) unless previously renewed, varied or revoked, the authority conferred shall expire at the close of the next Annual General Meeting of the Company or 12 months from the date of this resolution, if earlier and

(e) the Company may make a contract for the purchase of Ordinary Shares under this authority before the expiry of this authority which would or might require to be executed wholly or partly after the expiry of such authority and may make purchases of Ordinary Shares in pursuance of such a contract as if such authority had not expired

14 THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days notice

NOTES

1 [illegible] Only those [illegible] members of the Company as at 10.00 [illegible] 2012 [illegible] the time fixed for the meeting or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after 10.00am on 8 January 2012 or, in the event that the meeting is adjourned, after 48 hours before the time of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the meeting

2 A member is entitled to appoint one or more persons as proxies to exercise all or any of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A form of proxy is enclosed and notes for completion can be found on the form and should be read carefully before it is completed. To be valid, the form of proxy must be completed, signed and sent to the offices of the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, so as to arrive no later than 10.00am [illegible] 2012 (or, in the event that the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting)

3 A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. You may photocopy the enclosed proxy form, indicating clearly on each proxy form the name of the proxy you wish to appoint and the number of shares in relation to which the proxy is appointed. All forms must be signed and should be returned together in the same envelope. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. The right of a member under section 324 of the Companies Act 2006 ("2006 Act") to appoint a proxy does not apply to a person nominated to enjoy information rights under section 146 of the 2006 Act

4 The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes

5 As at the close of business on the date of this notice, the Company's issued share capital comprised 188,365,802 Ordinary Shares of 3 1/3 pence each. Each Ordinary Share carries the right to one vote at a general meeting of the Company

6 A vote withheld is not [illegible] in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. [illegible] proxy to vote as he or she thinks fit [illegible]

7 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior)

8 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

9 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited (formerly CRESTCo's) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

10 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

11 Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under section 146 of the 2006 Act ("nominee"):

(a) the nominee may have a right under an agreement between the nominee and the member by whom he was appointed, to be appointed, or to have someone else appointed, as a proxy for the meeting; or

(b) if the nominee does not have such a right, or does not wish to exercise it, the nominee may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

12 Capita Registrars, the Company's share registrar, may also provide a telephone helpline service on 0871 664 0300 (calls cost 10p a minute plus network extras, lines are open from 8.30am to 5.30pm Monday to Friday). If you have any queries about voting or about your shareholding, please contact Capita Registrars.

13 Members have the right to ask questions at the meeting in accordance with section 319A of the 2006 Act.

14 The following documents are available for inspection by members at the registered office of the Company (except bank holidays) during the normal business hours and at the place of the meeting not less than 15 minutes prior to and during the meeting:

(a) the register of Directors' interests required to be kept under section 809 of the 2006 Act; and

(b) copies of the Directors' service contracts.

15 Information regarding the AGM, including the information required by section 311A of the 2006 Act, is available from the Company's website – www.toppstiles.co.uk

R Parker
Company Secretary
25 November 2011

Registered Office:
Thorpe Way
Grove Park
Enderby
Leicestershire LE19 1SU

Registered No:
3213782

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

THE ANNUAL GENERAL MEETING of the Company will be held at the Company's offices at Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU on 10 January 2012 at 10.00 am.

Four of the resolutions are to be taken at this year's Annual General Meeting as special business. By way of explanation of these and certain other resolutions:

ORDINARY BUSINESS

Resolution 2
Declaration of Final Dividend

A final dividend of 0.6p per Ordinary Share is recommended by the Directors for payment to shareholders on the register of members of the Company at the close of business on 30 December 2011. Subject to approval by the Ordinary shareholders at the Annual General Meeting, the dividend will be paid on 31 January 2012. An interim dividend of 0.5p was declared on [illegible] July 2011 which means the total dividend level will be 1.1p per Ordinary Share for the 52 weeks prior to [illegible] October 2011.

Resolutions 3 to 8
Re-election of Directors

The Company's Articles of Association require that all members of the Board of Directors submit themselves for re-election at least every three years with the exception of the Rt Hon J M Jack who has served for at least nine years and therefore retires and offers himself for re-election annually. Although not required by the Company's articles, each of the remaining Directors will, in the interests of good corporate governance, retire voluntarily and offer himself for re-election. Brief biographical details about all the Directors appear on page 26 of the Annual Report and Financial Statements, with the exception of Claire Tiney whose details can be found on our website at www.toppstiles.co.uk.

SPECIAL BUSINESS

Resolution 11
Appointment of authority to issue shares

The right of the Directors to allot further shares in the capital of the Company requires in most cases the prior authorisation of the shareholders in general meeting under section 551 of the Companies Act 2006 ("the 2006 Act"). Resolution 11 will be put to members as special business to authorise the Directors to allot Ordinary Shares with a nominal value of £[illegible]20,651 out of the Company's unissued share capital representing approximately 33.3% of the Company's current issued share capital (excluding shares held in treasury). The Company currently holds nil Ordinary Shares in treasury. The Directors have no current intention of exercising the authority contained in Resolution 11 to allot further shares. The authority shall expire immediately following the Annual General Meeting next following the resolution or, if earlier, 15 months following the resolution being passed.

"Relevant Securities" means:

- Shares in the Company other than shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act), a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security or a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security.
- Any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act). References to the allotment of Relevant Securities in the resolution include the grant of such rights.

Resolution 12
Disapplication of statutory rights of pre-emption

This proposed resolution seeks to obtain power under section 571 of the 2006 Act to enable the Directors to allot for cash shares with an aggregate nominal value of £313,629 equal to approximately 5% of the Company's current issued share capital without being required first to offer such securities to existing shareholders. The Company will thereby be given greater flexibility when considering future opportunities but the interests of existing shareholders will be protected as, except in the case of a rights issue or the allotment of shares under the Company's share option schemes, the Directors have no present intention of exercising this authority under this resolution to allot any part of the unissued share capital of the Company or, without the prior approval of the Company in general meeting, to make any issue which would effectively alter the control of the Company or the nature of its business. This authority will expire immediately following the Annual General Meeting next following the resolution or, if earlier, 15 months following the resolution being passed.

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

Resolution 13

Authority to purchase Ordinary Shares

At the Annual General Meeting, Ordinary Shareholders are being invited under Resolution 13 to grant authority to the Company to make market purchases of its Ordinary Shares. It is proposed such authority shall expire on the conclusion of the Annual General Meeting to be held in 2013 or 12 months from the date of this resolution, if earlier. This authority will be limited to the purchase of not more than 14.9% of the Ordinary Shares currently in issue. This represents the maximum amount of Ordinary Share capital in issue which is permitted before a tender or partial offer to all shareholders is required to be made to perform any share buyback. The maximum price payable under this authority will be 105% of the average of the middle market quotations of an Ordinary Share for the five business days before the relevant purchase and the minimum price will be [illegible] per Ordinary Share. In considering whether or not to purchase Ordinary Shares under the market purchase authority, the Directors will take into account cash resources, the effect on gearing and other investment opportunities before exercising the authority. In addition, the Company will only exercise the authority to make such a purchase in the market when the Directors consider it is in the best interests of the shareholders generally to do so and it should result in an increase in Earnings per Ordinary Share. As at 30 [illegible] 2011 there were options to subscribe for [illegible] Ordinary Shares [illegible] approximately [illegible]% of the current issued share capital of the Company. If the authority sought by Resolution 13 [illegible] the total number of outstanding options would represent approximately [illegible]% of the issued share capital following the repurchase of shares.

Resolution 14

Notice period for general meetings

This resolution is required to reflect the implementation in August 2009 of the Shareholder Rights Directive. The regulation implementing the Directive increased the notice period for general meetings of the Company to 21 days. Previously the Company was able to call general meetings (other than an AGM) on 14 clear days' notice and would like to preserve this ability going forward. In order to be able to do so shareholders must approve the calling of meetings on 14 days' notice. Resolution 14 seeks such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Directive before it can call a general meeting on 14 days' notice.

THE TEAM

A

Aaron [illegible]
Aaron Foster
Aaron Smith
Aaron Turner
Abul Khashac
Adam [illegible]
Adam Compton
Adam Clarke
Adam Close
Adam Coo
Adam Crowe
Adam Davidson
Adam Edwards
Adam Ford
Adam Gale
Adam Green
Adam Ireland
Adam King
Adam Ludlow
Adam Nuttall
Adam Palmer
Adam Piles
Adam Rodriguez
Adam Simkins
Adam Voyce
Adam Ware
Adam Whittaker
Adam Wolniewicz
Adil Raoh
Adnan Kruber
Adrian Rimmington
Aileen Crossley
Ajay Arya
Ajay Bhakri
Akinyemi Oresova
Aklakur Dutta
Akommil Ali
Alan Collins
Alan Flynn
Alan Hughes
Alan Jones
Alan Low
Alan Munk
Alan Parke
Alan Rutherford
Alan Saunders
Alan Sinclair
Alan Smalley
Alan Sproston
Alan White
Alan Wrighting
Albert [illegible]
Alex Whitmore
Alex Wilson
Alexander Onions
Alexander Penn
Alexandra Murphy
Alfred Kamara
Ali Faheem
Ali Rizvi
Ali Siddique
Alison Hunt
Alison W[illegible]
Alistair Payne
Allan Chiguno
Allan Coomber
Allan Harper
Alvin Chinyanga
Alvin Lucan
Amanda Green
Amanda Haller
Amanda [illegible] Smith
Amit Bhargava
Andrea Moor
Andrea Reeves
Andrew Bailie
Andrew Belson
Andrew Blackburrow
Andrew Bowden
Andrew Brookfield
Andrew Connor
Andrew Chapman
Andrew Clay
Andrew Clayton
Andrew Collin
Andrew [illegible]
Andrew [illegible]
Andrew Curr
Andrew Davis
Andrew Dowson
Andrew Green
Andrew Grocutt
Andrew Hamilton
Andrew [illegible]son
Andrew Harrison
Andrew [illegible]
Andrew Hill
Andrew Hodgson
Andrew Keatch
Andrew Middleton
Andrew Page
Andrew Phillips
Andrew Riley
Andrew Salkeld
Andrew Scorgie
Andrew Scott
Andrew Taylor
Andrew Warne
Andrew Waterfield
Andrew Wathan
Andrew Winterburn
Andrew Wood
Andrew Woodhouse
Andrew [illegible]
Andrew Young
Andy Haywood
Andy Shaw
Angela Camp
Angela Marais
Angela Tremelling
Angelique Da Silva
Ann Mathias
Anna Kacharska
Anna Jimenez
Anna Wiodzak
Annabelle Price
Annemarie Malone
Ansar Ahmed
Anthea Foulley
Anthony Alaresi
Anthony Alverango
Anthony Ashton
Anthony Bradford
Anthony Christopher
Anthony Cox
Anthony Daly
Anthony Davies
Anthony Foster
Anthony [illegible]
Anthony Gibby
Anthony Gilbert
Anthony Hosker
Anthony James
Anthony Linsell
Anthony Marshall
Anthony McKeown
Anthony Townsend
Anthony [illegible]
Antonio Flores
Antonio Pesars
Antony Belham
Anub Varghese
Anuraag Parashar
Anwar Marshall
Arnold Harrison
Arron [illegible]
Ashton Fourcyal
Ashleigh Mackinnon
Ashley Cutler
Ashley Kent
Ashley Siddons
Asim Ali
Aston Davids
Aymen Young

B

Barbara Connor
Barclay Hope
Barrie Palmer
Barry Best
Barry Edwards
Barry Hodges
Barry Jones
Barry Taylor
Barry Theobald
Barry Veasey
Barry Webber
Ben Armitage
Ben Bower
Ben Bright
Ben Brooker
Ben Davis
Ben Holloway
Ben Sawyer
Ben Stockton
Ben Woollins
Benjamin Hardy
Benjamin Morris
Benjamin [illegible]
Benjamin Rowe
Benjamin Wills
Benedicte Heasland
Bernard Fallon
Bert Bowles
Beth Boulton
Beth Pauls
Bill Wylie
Billy Dacollie
Billy [illegible]
Bjorn Bjergfelt
Bo Bellow
Bolu Adeyomi
Bradley Bell
Brandon Abels
Brian Wells
Brendan Hunt
Brett Goulden
Brian Burke
Brian Carelle
Brian Cox
Brian Crews
Brian Dick
Brian Fisher
Brian Flowers
Brian King
Bridget Rees
[illegible] Hale
Bruce Fielding
Bruce Gorrod
Bruce Jeffery
Bruno [illegible]
Bruno Lemoscon

C

Cade Somerville
Callum Hall
Campbell Muir
Carl Cook
Carl Courtney
Carl Cumberbatch
Carl Dyke
Carl [illegible]
Carl Foster
Carl Fraser
Carl Hennie
Carl Paternoster
Carl Robert
Carl Whatley
Carlos [illegible]
Carlos Morris
Carol Livingston
Caroline Barley
Caroline Parry
Caroline Chewic
Caroline May
Catherine Pla
Chantelle Moran
Charlene Walpole
Charles Ross
Charles Taylor
Charlotte Armstrong
Charlotte Driscoll
Charlotte Glynn
Chelsea Gordon
Cheryl Vearncombe
Chetna Shah

THE TEAM
CONTINUED

Chirag Patel
Chloe Zeller
Choudre Crabb
Chris Blom
Chris Butler
Chris Cartey
Chris Curtis
Chris Foster
Chris Heyes
Chris Howe
Chris Jansen
Chris Nicholls
Chris Ransby
Chris Walker
Chris White
Christie Lee
Christian Fairhurst
Christine Langridge
Christine Henry
Christine Juggins
Christine Thistlethwaite
Christopher Jansen
Christopher Blay
Christopher Bowles
Christopher Burgess
Christopher Collins
Christopher Cowper
Christopher Harbut
Christopher Holland
Christopher Holt
Christopher Hudson
Christopher Laing
Christopher Mewhinnie
Christopher Moorhouse
Christopher Nottle
Christopher Santos
Christopher Searle
Christopher Stebbs
Christopher Turley
Christopher Walles
Christopher Warren
Christopher Williamson
Chudry Chan
Cindy Cox
Claire Chafe
Claire Royton
Clive Barden
Claudio Weaver
Clive Merriott
Colin Cadd
Colin Crouch
Colin Harvey
Colin Hobson
Colin Ivey
Colin Markham
Colin Rymer
Colin Skinner
Colin Taylor
Conrad Harrup
Corey Morrison
Connor Bowers
Craig Connor
Craig Conway
Craig Dawson
Craig Dickson
Craig Dolling
Craig Hill
Craig Lewis
Craig Murphy
Craig Newington
Craig Nicholson
Craig Oland
Craig Reed
Craig Tallow
Curtis Hatton

D

Dale Stone
Damien Sheppard
Daniel Bird
Daniel Bath
Daniel Brown
Daniel Brunson
Daniel Burden
Daniel Chant
Daniel Child
Daniel Clayton
Daniel Collins
Daniel Cox
Daniel Curtis
Daniel Fallows
Daniel Fowle
Daniel Fletcher
Daniel Hall
Daniel Hill
Daniel Hill
Daniel Ingham
Daniel Jones
Daniel Keable
Daniel Lee
Daniel Little
Daniel Loft
Daniel McBain
Daniel Mallett
Daniel Marquin
Daniel Rains
Daniel Saltmarsh
Daniel Sheppard-Brown
Daniel Shipman
Daniel Skinner
Daniel Thompson
Daniel Thornley
Daniel Wainwright
Daniel Woodford
Daniel Wynn
Daniel Zarebski
Danielle Whittaker
Darnell [illegible]
Darcy Burgess
Darrone Dubois-Greaves
Darren [illegible]
Darren Bensman
Darren Brodie
Darren Connor
Darren Doughty
Darren Fletcher
Darren Harper
Darren Hyman
Darren Mitchell
Darren Morgan
Darren Phillips
Darren Price
Darren Ramage
Darren Squire
Darren Wigg
Darton Kerr
Daryl John Sims
Dave Brooks
Dave Gobling
Dave Marsh
David Atherton
David Austin
David Binns
David Blake
David Bolingbroke
David Brown
David Burnikell
David Butler
David Carpenter
David Critchlow
David Dooley
David Fisher
David Garbold
David Harper
David Horton
David Hever
David Henderson
David Hill
David Hirst
David Howe
David Kennedy
David Kettlewell
David Knight
David Lane
David Lockwood
David Locke
David Macaulay
David Martin
David Matthews
David Miller
David Mill
David Morris
David Murphy
David Nicol
David Oliver
David Pe[illegible]
David Prime
David Rogers
David Rowlands
David Sessoon
David Savage
David Sharkey
David Shreeve
David Smith
David Steer
David Stott
David Sutcliffe
David Thomasson
David Townsley
David Webb
David Whitelaw
David Wilson
David Yolker
Dean Allen
Dean [illegible]
Dean [illegible]
Dean Hill
Dean Johnson
Dean Kelly
Dean Macmillan
Dean Marshall
Dean Miller
Dean Newell
Dean Stoker
Dean Tichen
Dean Woolley
Denise Davies
Declan Spurdle
Dennis O'Brien
Denise Fisher
Dennis Croghan
Dennis Ibison
Dennis Jovilkonis
Dennis Lammas
Denzil Jones
Derek Amoo
Derek [illegible]
Derek S[illegible]
Derek Smith
Derek Woolley
Desmond Agye
Diane [illegible]
Diane Williams
Diego [illegible]
Dilawer Ali
Dino Marino
Dinesh Amin
Dipak Patel
Dipen Wonder
Divyesh Lavela
Dzmantas [illegible]
Dominic Coates
Dominic Hall
Dominic Reilly
Donald McGillan
Donna Boulton
Douglas Harness
Duane Glover
Duncan Fay
Duncan Foster
Dylan Roberts

E

Eamonn Clancy
Edward Dunnymie
Edward Murphy
Elizabeth Manses
Elzbieta Sel[illegible]
Emily Fenton
Emily Williams
Emma Coles
Emma Eaton
Emma Jeavis
Emma Whatson
Emmanuel Emuo
Emran Mannan
Emyas Girma

F

Faisal Ashraf
Farid Haddad
Farooq Younis
Felipe De Rocha Was
Finbarr Mcquaid
Fiona Finnigan
Fiona Grant
[illegible] Martin
Frances Aylward
Francesca Wright
Francois Van Aswegen
[illegible] Hibbert

G

G Style
Gail Purves
Gareth Carnegie
Gareth Davies
Gareth Hammond
Gareth [illegible]
Garrett Ward
Garry Cole
Garry Hardy
Gary Aundown
Gary Asher
Gary Bloomfield
Gary Curtis
Gary Gear
Gary Marsden
Gary Marshall
Gary [illegible]
Gary Purves
Gary Shepcott
Gary Thatcher
Gary Wilcox
Gary Woolmore
Gavin Bennett
Gavin Collins
Gavin Jepson
Gavin Macwood
Gavin Mitchell
Gavin Richardson
Gediminas Merkys
Gemma Mcbirnie
Gemma Stephens
George Lathen
George Martinesz
George Peel
George Skinner
George Tuplin
George Wilson
Georgina Catling
Geraint Thorne
Gerard Mallon
Gethin Jordan
Gianfranco Zanolini
Giles Wheatley
Gillian Grace
Glen Holloway
[illegible]
[illegible]
Glenn Jay
Glyn Jones
Glyn Roberts
Gordon Davies
Goutam Saha
Graham Feeney
Graham Brophy
Graham Cameron
Graham Dawson
[illegible]
[illegible]
[illegible]
Grant [illegible]
Grant Woolway
Gregory Barwick
Gulraise Mirza
Gurdeep Panesar
Gursharan Bains
Gurshan [illegible]
Guy Ferguson

H

Hank Deen
Hammed Hussain
Harpreet Dhaliwal
Haroon Ceekar
Harpreet Hansra
Harriet Manning
Harry Briggs
Hassan Rajan
Hazel Millington
Helen Gosling
Helen Austin
Henry Oakley
[illegible]
[illegible]
[illegible]
Hugh Selley

I

Iain Arnott
Ian Aitkman
Ian Bird
Ian Bloomfield
Ian Gould
Ian Jones
Ian Marshall
Ian Mcfadden
Ian Mcloughlin
Ian Moores
Ian Neal
Ian Paterson
Ian Shepherd
Ian Sykes
Ian Tiverdale
Ian Whitehurn
Ibrahim [illegible]
Imran Aslam
[illegible]
[illegible]
[illegible]
[illegible]
Iwan Jones
Izabela Krzyszkowska

J

Jabeer Shah
Jack Cairns
Jack Campbell
[illegible]
[illegible]
Jack Coker
Jack Morrison
Jack O'Neill
Jack Thornley
Jack Whitehead
Jacob Gonzales
Jacqueline Byrne
Jailuere Peake
Jai Sharp
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
James [illegible]
James Beasty
James Bone
James Butler
James Cameron
James Clifford
James Cunthoys
James Eastham
James Fox
James Heard
James Hollingshead
James Jenkins
James Mcardle
James Metcalf
James Morgan
James Murphy
James Paulson
James Pearson
James Pilford
James Rathbone
James Robertson
James Rollo
James Saunders
James Start
James Stevens
[illegible]
[illegible]
[illegible]
[illegible]
Jamie Damon
Jamie Evans
Jamie Sic
Jamie Thorn
Jamie Wenborn
Jan Peddi
Janet Rix
Janice Millett
[illegible]
[illegible]
Jason [illegible]
Jason [illegible]
Jason Coupland
Jason Darcy
Jason Eolden
Jason Field
Jason Harper
Jason Hughes
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Jason [illegible]
Jason Rose
Jason Thomas
Jayandre Chetty
Jayaprakash Paraque
Jayde Bailey
Jaymel Argu
Jeannette Hastie
Jeffrey Adubaiou
Jeffrey Armstrong
Jemma Wyatt
Jennifer Donkin
Jennifer Wall
Jenny Jackson
Jenny Seabrook
Jeremy Harris
Jessica Mackenzie
Jessica Thiran
Jill Cox
Jim Tovey
Joan Hicks
Joanne Cox
[illegible]
[illegible]
Joe Cox
Joe Gregoriou
[illegible]
Joe Smart
John [illegible]
John [illegible]
John [illegible]
John Duffy
John Ellis
John Fawkes
John Forden
John Foster
John Gardner
[illegible]
John [illegible]
John [illegible]
John [illegible]
John Hughes
John [illegible]
John Lewis
John Marris
John Mclaren
John Moss
John Nelson
John Page
John [illegible]
[illegible]
[illegible] Shaw
John Smith
John Taylor
John Thompson
John Williams
John Wright

THE TEAM
CONTINUED

John-Paul Jones
[illegible]on Pringle
[illegible]on Thatcher
Jonathan [illegible]
Jonathan Bainbridge
[illegible] Coombs
Jonathan Benn
Jonathan Bryant-Williams
Jonathan Evans
Jonathan Francois
Jonathan Hargreaves
Jonathan [illegible]
Jonathan Morgan
Jonathan Smith
Jonathan Wade
Jonathan Wallace
Jonathan Williams
Jonathan Woodruff
Jonathan [illegible]ell
Jonathan Ludlow
Jonathan Sheerin
Jon-Paul Hughes
Jon-Paul Russell
Jordan [illegible]
Joseph Smith
Joseph Dale
Joseph [illegible]
Josephine Hillman
[illegible]
Josh [illegible]
Joshua Groener
Joshua Rapley
Jubair Ahmed
Juginder Gill
Julie Brachtvogel
Julie Cox
Julie Lewings
Julie Jordan
Juliet Wood
Justin Bradley

K

Kalpit Singh
Kalpit Patel
Kamlesh Shah
Karen Brook
Karen Sutcliffe
Karl Atkins
Karl Batterham
Karl [illegible]
Karl Stephens
Karl Verry
Kashan [illegible]ley
Kashif Munir
[illegible]
Catherine Davis
Catherine Pudlin
Cathryn Bain
Cathryn Robinson
Katie Bradley
Katie Slater
Kawaljit Gulati
Kayleigh Hanson
Kelam Gibson
Ken Beeson
Keith Ambrose
Keith [illegible]
Keith Fitzpatrick
Keith Hughes
Keith Johnson
Keith Pudlin
Keith Sarner
Kelly Bell
Kelly [illegible]
Kelly-Anne O'Connor
[illegible]
Kenneth Bottomley
Kenneth Williams
[illegible]
Kerry Hume
Kerry Saunders
Kieran Richardson
Kevin Baker
Kevin Bowtle
Kevin Burchell
Kevin Fox
Kevin Hailes
Kevin Hardie
Kevin Holland
Kevin Hodkin
Kevin [illegible]
Kevin Jones
Kevin Nicol
Kevin Rowe
Kevin Sherwood
Kevin Thorne
Kevin Tully
Kieran Barnes-Warden
Kieran Clarke
Kim [illegible]
[illegible]
[illegible]
[illegible]
Kris Bailey
Krishan [illegible]
Kristian Cotterall
[illegible]
[illegible]
[illegible]

L

Lance Cale
Laura Brice
Laura Edwards
Laura James
Laura Johnson
Laura Sweeney
Laurence Jones
Lauren Clark
Leah Norris
Leanne Palmer
Lee Arrowsmith
Lee Baxter
Lee Clerke
Lee Culley
Lee Davis
Lee Dering
Lee Dove
Lee Dunn
[illegible]
[illegible]
[illegible]
Lee Gorman
Lee Gornall
Lee Henry
Lee Hutchinson
Lee Jacobou
Lee Jones
Lee Johnstone
Lee [illegible]
Lee Mc[illegible]
Lee Phillips
Lee [illegible]
Lee Shillcock
Lee Stephenson
Lee Taylor
Lee West
Lee Wilkinson
Leena Ramsaha
Leigh Hyam
Leighton Davies
[illegible]
[illegible]
[illegible]
Leonard [illegible]
Lesley Watson
Lesley Wilcox
Lesley Wilson
Leslie Stonemark
Lester Mitchell
Lewis [illegible]
Lewis Edwards
Lewis Franklin
Lewis Green
Lewis Saunders
Lewis Smith
Lewis Walker
Lewis Wenman
Liam Allen
Liam Fields
Liam [illegible]
Liam Godfrey
Liam Gulliver
Liam Hodgkins
Liam Hunt
Liam Mulhall
Liam Piper
Liane Harrison-Allen
Lilian Pilling
Linda Scott
Lindsay [illegible]
Lisa Allen
Lisa Gannister
Lisa Hawkes
Lisa Holmes
Lloyd Jackson
Lorna Hislop
Louras Louca
Louis Johnson
Louise Sonigg
Louise Wilson
Luke Gibbon
Luke [illegible]
Luke [illegible]dy
Luke [illegible]
Luke [illegible]
Luke McNeilly
Luke Pouphar
Luke Saunders
Lynette Grimes
Lynn Pearson

M

Malcolm [illegible]
Malcolm Terrell
Malik Ahmed
Malik [illegible]
Mandy Abney
Mansoor Ali
Marc [illegible]
Marc Smith
Marc Stevens
Marcel Moore
Marcin Sokowicz
Marcus Scott
Margaret Lewis
Margaret Potter
Mark [illegible]
Mark Atkinson
Mark Bianchi
Mark Bradbury
Mark Brown
Mark Burgess
Mark Cole
Mark Discombe
Mark Dutton
Mark [illegible]
Mark Fuller
Mark Gasser
Mark [illegible]
Mark Harris
Mark [illegible]son
Mark [illegible]
Mark Lowe
Mark Manner
Mark Palmer
Mark Pancot
Mark Stephens
Mark Stone
Mark Sweet
Mark Tennant
Mark Thompson
Mark Vaughan
Mark Waldock
Mark Walters
Mark Windle
Mark Waugh
Marlon Barnes
Martin Broddle
Martin Byers
Martin Demcot
Martin Evans
Martin Foster
Martin [illegible]
Martin [illegible]
Martin Osborne
Martin Sigler

Martin Smyth
Martin Vyel
Martin Williams
Martin Winterburn
Martin Wys
Martyn Spr
Mary Smith
Mary Sw e
Mathew Clarks
Mathew Japp
Matt Hammersley
Matt Hey
Matthew Antell
Matthew Atwood
Matthew Britton
Matthew Charleston
Matthew Clam
Matthew Dyke
Matthew Coward
Matthew Dunne
Matthew Fisher
Matthew Foster
Matthew Foulger
Matthew Hensley
Matthew Hil
Matthew Hoad
Matthew King
Matthew Knight
Matthew Marsh
Matthew Moor
Matthew Robin
Matthew Sigley
Matthew Singleton
Matthew Stuckey
Matthew Welburn
Matthew Wesson
Matthew Whitby
Matthew Williams
Matthew Woodhouse
Matthew Wright
Megan Beattie
Mehmet Asdoyuran
Melanie Gray
Melanie Toole
Melissa Wadman
Melton Thompson
Melvyn Chamberlain
Meruelu Yohannes
Michael Asumadu
Michael Blinkhorne
Michael Booth
Michael Boughton
Michael Bowden
Michael Brathwaite
Michael Buckley
Michael Cobb
Michael Campbell
Michael Cantwell
Michael Coscrow
Michael Dennell
Michael Ell
Michael Fannor
Michael Finn
Michael Foley
Michael Haggett
Michael Hall
Michael Harvey
Michael Hopner
Michael Hudsson
Michael Jack
Michael Jerks
Michael Ivy
Michael Hislic
Michael Howlett
Michael Owen
Michael Simcoe
Michael Slater
Michael Stewart
Michael Van Sittert
Michael Weeks
Michelle Pace
Michelle Turner
Michelle Hill
Michelle Kerrison
Mick Wells
Mike Butler
Mike Ingham
Mike King
Mike Potter
Miles Burden
Mitchell Williams
Mitul Patel
Mohammed Akhtar
Mohammed Patel
Mohammed Malik
Mohammed Amin
Mohammed Jamil
Mohammed Jimale
Mohammed Nawaz
Mohammed Parvez
Monique Lawrence
Mr Topps (retired)
Mubashir Uddin
Muhammad Anaib
Muhammad
Muhammad Kawsar
Muhammed Musa
Murat Malik

N

Nadeem Chadha
Namdar Pal
Nathan Austin
Nathan Bentley-Hicks
Nathan Coulthard
Nathan Edwards
Nathan Hands
Nathan Harty
Nathan Heaps
Nathan Moss
Nathan Sutters
Nathan Winterton
Nathan Wisniewicz
Navesh Naidoo
Neil Ammon
Neil Brownley
Neil Dorkin
Neil Hardy
Neil Hyman
Neil Hughes
Neil Jones
Neil Kenny
Neil Southgate
Neil Upping
Neil Wardlaw
Neil Williams
Neill Wilshire
Nicholas Billyeald
Nicholas Gudd
Nicholas Kershaw
Nicholas Lowence
Nicholas Cunstead
Nicholas Payne
Nicholas Walsh
Nicholas Winters
Nicholas Buckland
Nick Gazow
Nick Lodge
Nick Wardman
Nicky Glenister
Nicola Mowatt
Nicole Andrews
Nigel Fleming
Nigel Hickman
Nigel Parry
Nik Sewell
Nikki Jury
Nikola Sivior
Nilesh Kerai
Noah Lane
Norman Farrad
Nouman Razan
Nouman Usman

O

Oliver Clancy
Olivia Pilsonwood
Omid Ibrahimi
Osman Musoke

P

Pamela Mahereson
Pamela Cullar
Patrick Charles
Patrick Green
Paul Aird
Paul Baxter
Paul Burkett
Paul Burrows
Paul Cart
Paul Clarke
Paul Caell
Paul Chapman
Paul Clark
Paul Collett
Paul Cowan
Paul Cull
Paul Dalby
Paul Davey
Paul Davies
Paul Fitzsimmons
Paul Huesto
Paul Gelan
Paul Handhall
Paul Jones
Paul Irving
Paul Kelly
Paul Lemaroce
Paul Laverty
Paul McCabe
Paul McKenna
Paul Miller
Paul Mills
Paul Nicholls
Paul Noyes
Paul Ruddle
Paul Silvester
Paul Smit
Paul Smineincoale
Paul Starke
Paul Simmond
Paul Tanner
Paul Tregaskis
Paul Vanderdyck
Paul Wellington
Paul Wilkinson
Paulo Budsworth
Pauline Harrison
Pawel Warych
Peter Vandersluis
Pete Rydo
Peter Anderson
Peter Brooks
Peter Chandler
Peter Davey
Peter Higgins
Peter Hogg
Peter Hughes
Peter Jones
Peter Lea
Peter McIntyre
Peter Meredith
Peter Nicholson
Peter Simmons
Peter Steel
Peter Tuttle
Peter Welsby
Peter Woods
Peter Young
Petr Stepan
Phil Kelly
Philip Cranston
Philip Devine
Philip Dunn
Philip English
Philip Gill
Philip Hunter
Philip Hibbert
Philip Lewis
Philip Mccumer
Philip Travis
Phillip Ell
Phillip Goodeve
Phillip Hunt
Phillip Walters
Phillipa Hewitt

THE TEAM
CONTINUED

Prakash Mistry
Prakash Patel
Przemyslaw Swislok

Q

Qundeer Ahmed

R

Rachel [illegible]
Rachel [illegible]
Rahul Rao
Raj Surani
Rajan Mehta
Rajiv Vadgama
Raheem Zummrud
Ranbir Kasbia
Ravendra Bisht
Ravikumar Patel
Ray Jenkins
Raymond Johnson
Raymond Thompson
Ren [illegible]
Rebecca Julier goodwin
Rebecca OBrien
Rebecca Smith
Reece Morgan
Reg Anderton
Rhea Kelly
Rhys Hodges
Rhys [illegible]
Rhys Sheridan
Riccardo Malcolm
Richard Barron
Richard Bickers
Richard Brookfield
Richard Carre
Richard Clark
Richard Cooke
Richard Davies
Richard Edwards
Richard Farrington
Richard Fellows
Richard Harris
Richard Hennar
Richard Hopkin
Richard Oakes
Richard [illegible]
Richard Slack
Richard Small
Richard Sumner
Rickey Singleton
Ricky Lisboa
Rob Owen
Robel Ghebrewold
Robert Adams
Robert Adkins
Robert Bellamy
Robert Bindon
Robert Brown
Robert Cairns
Robert [illegible]
Robert Clay
Robert Collins
Robert Exley
Robert Fernandes
Robert Frickley
Robert George
Robert Gilbert
Robert Howes
Robert Howser
Robert Ivy
Robert [illegible]
Robert [illegible]
Robert King
Robert Kramer
Robert [illegible]
Robert Lynch
Robert Moss
Robert Myers
Robert Parker
Robert Philpott
Robert Price
Robert [illegible]
Robin Moor
Robin [illegible]
Robin Stagg
Robin Thomson
Rodney Meyer
Roger Bailey
Roger Gridley
Roger Muir Lazenby
Romaldo Rodrigues
Ron Woolgar
Rory Milne
Rosemarie Renshaw
Ross Ashbrook
Ross Copley
Ross Hun
Ross Langford
Ross [illegible]
Roxanne Evans
Roxanne Martin
Roy Pentland
Roy Sedgwick
Rudy Sellar
Russ Davis
Russell Angove
Russell [illegible]
Russell Thornton
Ryan Apark
Ryan Curd
Ryan Gorrell
Ryan Jones
Ryan [illegible]
Ryan [illegible]
Ryan [illegible]

S

Sabina Ali
Sachin Radia
Sugen Naidoo
Salman [illegible]
Sam Franco
Sam Harvey
Sam [illegible]
Sam Sutton
Sam Ripley
Samantha Barrett
Samantha [illegible]
Samantha Hunter
Samantha Mussett
Samantha Sayer
Samantha [illegible]
Samantha [illegible]
Sampson [illegible]
Sampson [illegible]
Samuel [illegible]
Samuel Fisher
Samuel Jenner
Samuel [illegible]
Samuel Prewer
Sandip [illegible]
Sandra Ramsay
Sanjeepan
Saravanan Balasubramaniam
Sarah Ishina
Sara Lowery
Sarah Bacon
Sarah Cassam
Sarah Dobson
Sarah [illegible]
Sarah Kite
Sarah Newcomb
Sarah [illegible]
Sarah Rogerson
Sarah Shirley
Scott Ahmad
Scott Birdseye
Scott Boyd
Scott Campbell
Scott Currie
Scott Hatton
Scott Meadows
Scott Williams
Scott [illegible]
Sean Cahill
Sean D[illegible]
Sean [illegible]
Sean Green
Sean Mclean
Sean Weatherby
Serdar Yusuf
Shahid Mahmood
Shane Doherty
Shane Bryan
Shane [illegible]
Shane England
Shane Malone
Shane O'Leary
Shane Till
Shannon Woods
Sharon Beckett
Sharon Buckley
Shaun Barrett
Shaun Bryan
Shaun Douglas
Shaun [illegible]
Shaun Mayes
Shaun [illegible]
Shaun [illegible]
Sheveldon Smith
Sheila Mayne
Shelley Corey
Shelley Futter
Shirley Myers
Shohele Ali
[illegible]
[illegible]
[illegible]
Simon Beare
Simon Brookfield
Simon Chappell
Simon Crossland
Simon Frew
Simon Green
Simon [illegible]
Simon Jones
Simon [illegible]
Simon Leslie
Simon Lewis
Simon Leach
Simon Morgan
Simon Neal
Simon [illegible]
Simon Partridge
Simon Pitt
Simon [illegible]
Simon [illegible]
Simone Turner
[illegible]
[illegible]
[illegible]
[illegible]
Stephanie Allwood
Stephanie Nevett
Stephen Adams
Stephen Benson
Stephen Bloomfield
Stephen Brow
Stephen Collins
Stephen [illegible]
Stephen Greaves
Stephen Foote
Stephen Francis
Stephen Freeman
Stephen Getty
Stephen Green
Stephen [illegible]
Stephen Kelly
Stephen Lewis
Stephen Lowes
Stephen Machin
Stephen Marshall
Stephen Morris
Stephen Seymour
Stephen [illegible]
Stephen Stoke
Stephen [illegible]
Stephen West
Steve Bristow
Steve Gaylor
Steve Smith
Steve Wood
Steven Buxton
Steven Christie
Steven Darbyshire
Steven Dooley
Steven Godwin

Steven Howells
Steven Jenkins
Steven Kennet
Steven Macarthur
Steven Mackie
Steven O'Hara
Steven Priestley
Steven Richards
Steven Shooter
Steven Walker
Steven Whitehead
Stuart Baigent
Stuart Barron
Stuart Bartlett
Stuart Clarke
Stuart Corner
Stuart Corlett
Stuart Davey
Stuart Dixon
Stuart Garry
Stuart Hall
Stuart Munro
Stuart Pemberton
Stuart [illegible]
Stuart Roscoe
Stuart Ross
Stuart Whitby
Stuart Williams
Sue Bill
Suresh Mistry
Surinder Jandu
Susan Atwell
Susan Black
Susan Henshall
Susan Hulme
Susanne Owen

T

Taimur Malik
Tami Robinson
Tanya Paterson
Tanya Sharpe
Terence Dooley
Terence Downing
Terry Salisbury
Thomas Boulton
Thomas Clutterbuck
Thomas Crawford
Thomas Cunningham
Thomas Fry
Thomas Hudson
Thomas Lowe
Thomas Mo[illegible]ey
Thomas Marriott
Thomas Murray
Thomas Newman
Thomas Oxley
Thomas Parkes
Thomas Ryan
Thomas Swain
Thomas Treadwell
Thomas White
Tim Bird
Tim Ives
Tim Talbot
Timothy Bentley
Timothy Boardman
Timothy Stanhope
Timothy Taff
Tirup Patel
Tom Collins
Tony Hutton
Toby R[illegible]
Tom [illegible]
Tom Lewis
Tom Wilcox
Toni Christine Frederick
Tony Benson
Tony Dedman
Tony Hawkes
Tony Nunn
Tony Watson
Tracey Forrest
Tracey Hansard
Tracy Ryan
Tracy McKender
Trevor Thomas
Tristan Hodge
Tyrell Beckham
Tyrone GodsonCharles

U

Umar Qureshi
Upendra Dudhaiya
[illegible]
[illegible]
[illegible]

V

Veronica Best
Victor Mensa
Vikki Birchall
Vilius Meilus
Vince Barber
Vinesh Goswami
Vinod Joshi
Vinsen Vel[illegible]
Vishal A[illegible]
Vishal [illegible]

W

Walter Hilton
Warren Foster
Wayne Farini
Wayne Randall
Wayne Wheeler
Wendy Stone
Wesley Hamp[illegible]
Wesley N[illegible]
Will Bell
William [illegible]
William [illegible]
William [illegible]
William Lewinton
William Mason
William Mcphee
William Ralls
William Ryves

Y

Yvonne [illegible]
Yvonne Burgess

Z

Zaccai Newman
Zachary Mcdowell
Zach Shaw
Zamid Hussain
Zainab [illegible]
Zlatko Milivanovic
[illegible]
[illegible]
[illegible]
Zoe [illegible]
Zoe Mills

TOPPS TILES

MIDLANDS
Lincoln
Newark
Boston
Mansfield
Grantham
Worksop
Hull
Grimsby
Spalding
Lincoln – Outer
[illegible]
Chesterfield
[illegible]
Meadow Hall
Barnsley
[illegible]
Ilkeston
[illegible]
[illegible]
Newcastle-under-Lyme
Lyme
Congleton
Leek
Nantwich
Crewe
Northwich
Coventry
Leicester
[illegible] Grove
[illegible]
Coventry – [illegible]
Stratford-upon-Avon
Rugby
Birmingham
Solihull
Nuneaton Topps
Redditch
Nottingham
Long Eaton
Cannock
Wolverhampton
Kidderminster
Kings Heath
[illegible]
Erdington
Birmingham
[illegible]
West Bromwich
Tamworth
Burton on Trent
Derby – [illegible]
[illegible]

LONDON
Dagenham
Romford
Ilford
Beckton
Chingford
[illegible] Topps
Edmonton
[illegible]
[illegible]
[illegible]
Shoreditch
[illegible]
[illegible] Topps
Paynes Park
[illegible]
[illegible]
Charlton
[illegible]
[illegible]
[illegible]
[illegible] Topps
Orpington
[illegible] – Bromley
[illegible]
[illegible]
[illegible]
[illegible]
Solihull
[illegible]
[illegible]
Slough
Hemel Hempstead
[illegible]
Chesham
[illegible]
Wembley
Uxbridge
[illegible] Green
[illegible]
Ruislip
[illegible]
[illegible]
[illegible]
Croydon
Croydon Purley
[illegible]
[illegible]
Brentford
Highgate
Camden
[illegible] Hall
[illegible]
[illegible]
[illegible]
East Sheen
[illegible]
[illegible]
[illegible]
[illegible]

SOUTH
Brentwood
Southend
Basildon
Chelmsford
Rayleigh
Colchester
Sudbury
Braintree
Clacton on Sea
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Bristol
Swindon
Hengrove
Bridgwater
Weston Super Mare
[illegible]
[illegible]
Bristol – Clevedon
Chippenham
Gloucester
Cheltenham
[illegible]
[illegible]
Ipswich –
Martlesham
Ipswich
Norwich
Kings Lynn
Cambridge
Great Yarmouth
Bury St Edmunds
Wisbech
Thetford
Huntingdon
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Portsmouth
Horsham
Uckfield
Newhaven
East Molesey
Chichester
Lewes
Bognor Regis
Salisbury
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Newbury
[illegible]
Hengrove
Bridgwater
Southampton –
Millbrook
Southampton
Hedge End
Oxford
Abingdon
Oxford
Wellingborough
[illegible]
[illegible]
Kettering
Wellingborough
Windsor
Slough
Northampton
Milton Keynes
Banbury
Luton
St Neots
Bedford
[illegible]
Buckingham
Letchworth
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Croydon
Erith
Sevenoaks
Redhill
Maidstone
Sittingbourne
Tunbridge Wells
Strood
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Barnstaple
Plymouth
Taunton
Launceston
Exmouth
Bodmin
[illegible] Torquay
Truro

WALES
Wrexham
Cardiff – Hadfield
Swansea
Swansea
Llansamlet
Bridgend
Merthyr Tydfil
[illegible]
[illegible]
Cardiff – Newport
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Rhyl
[illegible]
Bangor

NORTH
Manchester –
Salford
Manchester –
[illegible]
Cheadle
[illegible]
[illegible]
Manchester – Sal[illegible]
[illegible]
Stockport
Manchester –
[illegible]
Manchester – Hyde
Oldham
Manchester –
[illegible]
Huddersfield
Macclesfield
Bolton
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
Blackpool
Preston
[illegible]
Chorley
Workington
Ormskirk
Sunderland
Stockton
Newcastle on Tyne
Durham
Darlington
York
[illegible]
[illegible]
[illegible]
Leeds
[illegible]
[illegible]
[illegible]
Chester
Warrington
[illegible]
Wigan
[illegible]
[illegible]
St Helens

SCOTLAND
Glasgow –
Hillington
[illegible]
[illegible]
[illegible]
Falkirk
Glasgow
Glasgow –
Shawfield
Edinburgh – Leith
Aberdeen
Inverness
Dundee
Edinburgh – Sighthill
Aberdeen – Bridge of Don
Edinburgh –
[illegible]
[illegible]
Dumfries

TILE CLEARING HOUSE

MIDLANDS
Norwich
Northampton
Cheltenham
Nottingham
Stoke-on-Trent
Wolverhampton
Stoke-on-Trent
[illegible]
Peterborough
Kettering
Birmingham –
[illegible]
Kidderminster

LONDON
Hayes
Charlton
Orpington
New Southgate
Park Royal
Dartford

SOUTH
Ilford
Harlow
Swindon
[illegible]
Bournemouth
Exeter
Plymouth

NORTH
Hull
Stockport
Cheadle
Doncaster
Wigan
Liverpool – Aintree[illegible]
[illegible]

15
stores operated by the Group in **Scotland**

16
stores operated by the Group in **Wales**

63
stores operated by the Group in **London**

51
stores operated by the Group in the **North**

57
stores operated by the Group in the **Midlands**

118
stores operated by the Group in the **South**

■ Scotland

GRAPHIC REMOVED

■ North

■ Midlands

■ Wales

London ■

■ South

Topps Tiles – Store numbers	
Stores at the beginning of the period	275
New stores opened	17
Sub-total	292
Closures (including brand swaps)	–3
Total	**289**

Tile Clearing House – Store numbers	
Stores at the beginning of the period	37
New stores opened	–
Sub-total	37
Closures (including brand swaps)	–6
Total	**31**

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GRAPHIC REMOVED

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www toppstiles co.uk

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