Topps Tiles

ANNUAL REPORT AND FINANCIAL STATEMENTS 2012

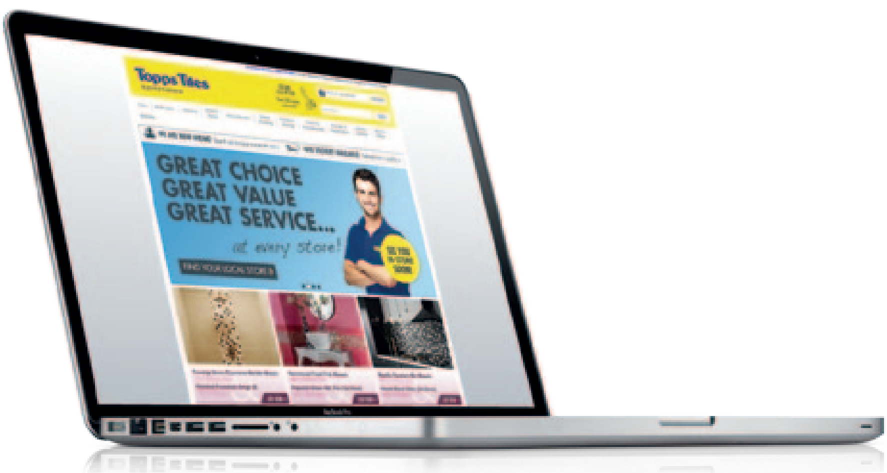
GREAT CHOICE. GREAT VALUE. GREAT SERVICE.

REVIEW OF THE BUSINESS

Introduction

"Following a challenging start to our financial year we were encouraged by the progress in the second half, particularly considering the context of a tough retail environment. Like-for-like sales grew in both quarter three and quarter four and we also **grew total revenues year-on-year.** We have continued to move forward as a business and **strengthen our market leading position** – evolving our customer offer, **delivering world-class customer service,** expanding our store estate, investing in infrastructure, and reducing net debt."

Mathew Williams,
Chief Executive Officer



For more information visit:
toppstiles.co.uk

REVIEW OF THE BUSINESS

Highlights

£177.7m
Group revenue (52 weeks ended 1 October 2011: £175.5m)

£16.6m
Adjusted operating profit[2]
(52 weeks ended 1 October 2011: £18.2m)

–0.7%
Like-for-like revenue[1]
(52 weeks ended 1 October 2011: –2.0%)

£12.8m
Adjusted profit before tax[3]
(52 weeks ended 1 October 2011: £13.9m)

60.0%
Gross margin
(52 weeks ended 1 October 2011: 59.6%)

5.11p
Adjusted earnings per share[4]
(52 weeks ended 1 October 2011: 5.50p)

£15.5m
Operating profit
(52 weeks ended 1 October 2011: £14.0m)

0.75p
Final dividend
(52 weeks ended 1 October 2011: 0.6p)

£12.5m
Profit before tax
(52 weeks ended 1 October 2011: £7.9m)

1.25p
Total dividend
(52 weeks ended 1 October 2011: 1.1p)

5.14p
Basic earnings per share
(52 weeks ended 1 October 2011: 3.04p)

[1] Like-for-like revenues are defined as sales from stores that have been trading for more than 52 weeks

[2] 2012 adjusted operating profit excludes several items we have incurred during the period due to their nature, these are: the impairment of plant, property and equipment of £0.5 million (2011: £1.1 million), business restructuring costs of £0.4 million (2011: £nil), an increase in property related provisions of £0.2 million (2011: £1.9 million), 2011 also included an inventory charge of £1.3 million for which there is no equivalent charge this year

[3] 2012 adjusted profit before tax is adjusted for the effect of the items above plus:
– property disposal gain of £1.6 million (2011: £nil)
– £0.8 million charge relating to the interest rate derivatives and forward currency contracts the Group (defined as Topps Tiles Plc and all its subsidiaries) has in place (per IAS 39) (2011: £1.6 million charge)

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

Modern and stylish

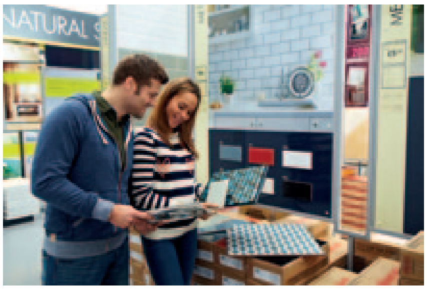
Modern Style is depicted through elements of minimalist living such as simple, clean lines and pared-back accessorising. Pieces of the latest iconic designs and influences drawn from cutting edge technology captivate this style flawlessly.

Domino

Perfect to create the minimalist look, Domino features a subtle, shimmering pattern of squares, adding interest and depth to a simple scheme.

Simply Whites

Gone are the days when white tiles were just plain and practical, we've sourced real stone, frosted mosaics & glass, polished and matt finishes to suit any taste, style & budget.



Here to help

Meeting our customers desires to be inspired whatever their style and budget is a key component of our excellent customer service.

For more inspiration why not pop into one of our stores or visit:

toppstiles.co.uk

REVIEW OF THE BUSINESS

Our Strategy

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.**

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.

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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.

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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, 90.6% of our customers have told us that they would recommend us to friends and family, something we are incredibly proud of.

REVIEW OF THE BUSINESS

Chairman's Statement

Topps has maintained its position as the UK'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

It's reassuring to be able to report that, despite the continued tough retail climate, during the last 12 months Topps has both maintained its market leading position and delivered an overall increase in year-on-year sales for the first time since 2007. To achieve this we adopted a strategy which, at its core, focused on inspiring our customers, in their quest to enhance their homes and on improving the way we met the needs of our exacting trade customers. This approach enabled us to move from a position where like-for-like sales declined by 4.7% in the first half of our financial period to like-for-like growth of 3.5% during the second half.

The final trading results do, however, reflect the stagnating performance of the economy, a continuing low level of housing transactions and a lack of overall consumer confidence. Total revenue was £177.7 million (2011: £175.5 million) and with gross margin increased to 60.0% (2011: 59.6%) we were able to deliver an adjusted profit before tax of £12.8 million as well as reducing our net debt. Although this result was down from last year's adjusted profit before tax of £13.9 million it was in line with market expectations and our internal projections.

In our previous Annual Report we committed ourselves to prudent cost management, further investment in key infrastructure, and achieving our target for growing the store estate. Good progress has been made on these targets enabling us to:

- Deliver an underlying cost increase of just 2.5%, c.£2 million lower than inflationary and store space growth
- Grow the overall store estate to 325 stores at year end (2011: 320) whilst simultaneously closing unprofitable units
- Enhance the overall appearance of our stores
- Convert 10 Tile Clearing House sites to the more profitable Topps format
- Fully integrate our second Grove Park warehouse to enable more direct sourcing of product and thus secure additional margin gains
- Further develop the awareness of Topps, as a brand, through national television advertising campaigns
- Increase our share of the tile market by a further 1% to 27%

MEETING THE NEEDS OF OUR CUSTOMERS

These results could not have been achieved in the current retail environment if Topps had not maintained its absolute focus on the needs of our customers. Our objective of inspiring our customers whilst giving them top quality advice and guidance has once again resulted in Topps being rated in the top 10% of European Retailers when it comes to levels of customer satisfaction. This result is not only a tribute to the quality of our staff but it also underscores the importance we attach to our continuous on the job staff training and the development of our Company apprenticeship scheme.

On behalf of the Board I would like to thank every one of our employees for the personal contribution they have made in helping to maintain Topps' position as the UK's number one tile retailer.

Our people have also demonstrated their appreciation of the wider responsibilities that a business like Topps has by again making "Help for Heroes" the Company's chosen charity. Their fundraising efforts have been inspiring and have included everything from local cake sales to climbing Mount Kilimanjaro.

CORPORATE GOVERNANCE

This year we strengthened the depth and independence of the Board with the appointment of two new Non-Executive Directors. In December 2011 Claire Tiney joined the Board, bringing with her a wealth of human resources experience gained from a retail career spent with Marks and Spencer, Mothercare, Woolworths and McArthur Glen. In January 2012 Andy King, currently CEO of Nottcuts and formerly with Boots and Bodyshop, also joined the Board. His arrival has brought to Topps strong strategic marketing and general management experience gained from his comprehensive retailing career.

These appointments have enabled us to further strengthen the Board's committee structure. Alan White has now been appointed Senior Independent Director and chair of the Audit Committee. Claire Tiney has taken on the chair of the Remuneration Committee.

REVIEW OF THE BUSINESS

Chairman's Statement continued


1


2

1 Metallic Random Mix Mosaic
This glass mosaic with metallic effect pieces adds a dramatic effect to any modern scheme.

2 Stratum
Bang-on-trend, this textured tile is designed to be butted up together for a seamless finish.

Andy King has been appointed as chair of the Nominations Committee and, in addition, has accepted responsibility for reviewing the Company's Environmental and Corporate Social Responsibility policies.

During the year, we also said goodbye to a very long serving member of our Board, when in April Nick Ounstead announced that he was to retire. During his 15 years with the business Nick made an outstanding contribution to Topps helping us move from a small unquoted business to today's position as the UK's number one tile retailer. On behalf of the Board I would like to record our sincere appreciation for all he did for Topps and send him our very best wishes for the future.

DIVIDEND

This year's trading, and particularly our second half performance, has reinforced the Board's view that the business is on a secure financial footing. In pursuit of our progressive dividend policy, we will be recommending to shareholders a final dividend of 0.75p per share (2011: 0.6p per share). This will cost £1.4 million (2011: £1.1 million). The shares will trade ex dividend on 24 December 2012 and, subject to approval at the Annual General Meeting, the dividend will be payable on 31 January 2013. This brings the total dividend for the year to 1.25p per share (2011: 1.1p per share), an increase of 13.6%.

OUR FUTURE

Our results for the year have confirmed that in spite of challenging economic conditions Topps' fundamental retail formula is sound. We recognise, however, that if we are to continue to grow our share of the market in this retail environment, innovative thinking will be required. In June we unveiled some new approaches to the marketing of our products in our Lab Store at Milton Keynes. We are continuing to evaluate these new approaches and they will help set the tone for the future appearance of our stores.

The commercial success of these new initiatives will be greatly assisted if UK economic policy can deliver a sustained improvement in consumer confidence. In addition, the success of any of the initiatives designed to stimulate the market for houses and their refurbishment will be of considerable value to the business.

For our part we will continue to inspire our customers' home improvement plans whilst at the same time investing in our people – our greatest strength and most important asset. We also recognise the increasingly important role being played in retailing online and so we plan to further develop our web presence in order to make it even easier for our customers to research their purchases and find the combination of tiles and wood flooring that is just right for them.

By combining all these elements in a package that offers unrivalled in-store service, unparalleled ranges, industry leading technical advice and great value for money for both our trade and retail customers, we will have a strong platform upon which to build our success in the new financial year.

Michael Jack,
Chairman

26 November 2012

REVIEW OF THE BUSINESS

Chief Executive's Statement

Looking ahead, we recognise that economic conditions are likely to remain uncertain throughout 2013. However I believe that we are operating in an environment where customers value Topps unique blend of outstanding product range, affordability, industry leading customer service and locational convenience. These key differentiators provide us with a platform to achieve both further growth and market share gains as we consolidate our position as the UK's number one tile retailer.

Matthew Williams,
Chief Executive Officer

We started this year knowing that the economic outlook would be challenging for businesses dependent on consumer confidence and discretionary spending. This cautious approach proved well founded as we experienced a decline in revenues during the first half. I am very pleased, however, with the way in which the business, and specifically our store colleagues, responded – arresting the decline and then returning the business to both like-for-like sales growth during the second half and overall sales growth across the year.

We maintained our focus 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, strengthened our offer and supported this with new marketing initiatives in-store, on television and online. In addition, we have seen the first benefits of our investments in both stores and supply chain infrastructure.

We remain focused on maintaining an efficient cost base but also recognise a continuing need to invest in key areas of the business as we move forwards. We have maintained our investment in marketing over the last year and will continue to ensure that our stores are sufficiently resourced to continue to offer the high standards of customer service we pride ourselves on.

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 27% (2011: 26%) (source: Market and Business Development "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.

STORE DEVELOPMENT AND EXPANSION

We have continued to focus on optimising returns from the existing store estate, adding new stores selectively where we believe strong opportunities exist and targeting tactical relocations of individual stores where this is supported by the local market opportunity.

In the last 12 months we opened 13 new stores and closed eight stores (of which one was a relocation), resulting in a net increase of five stores to bring the total at year end to 325 stores. These new stores have performed well and we remain very encouraged with the return on investment. In the year ahead we have plans in place to increase the estate by a further five new stores.

We have continued to invest across all parts of our store estate and this year have progressed a programme of "light touch" refits – spending around £20,000 per store on a range of minor improvements such as store signage, counters, floors, lighting, etc. 18 stores have benefited from the programme this year and we intend to continue this into 2013.

We converted 10 further Tile Clearing House stores to the more profitable Topps Tiles format. Trading results from these conversions have been strong, on average generating c.25% more sales post the conversion.

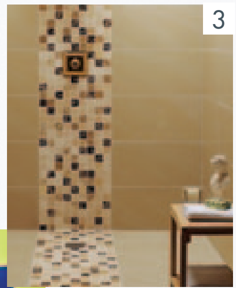
REVIEW OF THE BUSINESS

Chief Executive's Statement continued

1

£177.7m

Group revenue
(52 weeks ended 1 October 2011: £175.5m)



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2

We have continued to improve our online presence and see our website as very much a way of driving additional footfall to stores. We know increasing numbers of customers are undertaking the research phase of their project online but prior to actual purchase. However, most of our customers tell us that they still prefer to visit our store, physically see the products they are interested in and benefit from our expert in-store advice before they buy. To help them with this process we have focused our online efforts on incorporating more inspirational room set photography, a greater variety of design ideas and the integration of our market-leading interactive "visualiser" into the online experience. This enables customers to choose from our extensive range of wall and floor tiles and model them into a variety of different room settings.

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.

We measure customer satisfaction based on the "Net Promoter" scoring system. The net promoter 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 our Net Promoter Score has averaged 90.6% (2011: 88.1%) – well within the top 10% of European retailers when it comes to customer service quality, which we consider to be a very clear endorsement of our customer service ethic.

PRODUCT OFFER

We continue to lead the market with our wide range of products to suit all tastes. We offer a core range of c.1,500 items which are available in stock to take away and a further c.3,000 items which are available to order on short lead times.

Our customers are choosing a wider variety of tiles than we have seen previously and are becoming increasingly adventurous in their tastes through greater use of colour and larger format tiles. Maintaining innovation in our product range is a key driver of success and on average we refresh around 20% of our core range each year.

Our diverse product sourcing strategy is also a key driver of our business – we have a specialist team of buyers who are able to shop all over the world, and, combined with our operational flexibility, are able to bring product to market quicker than our competitors.

We have also reviewed our wood flooring offer and have completely relaunched the range from October 2012 featuring a broad offer that will cater for all our customers needs.

MARKETING, ADVERTISING AND SPONSORSHIP

The evolution of the Topps Tiles brand continued during the period, in line with our greater emphasis on inspiring customers and reaching beyond our traditional customer base. 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. More emphasis has also been placed on promoting 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.


4

£16.6m

Adjusted operations profit[2]
(52 weeks ended 1 October 2011: £18.2m)

–0.7%

Like-for-like revenue
(52 weeks ended 1 October 2011: –2.0%)

1 Diamante This supersized version of the popular Metro brick-effect tile adds a stylish dimension to any setting.

2 Kula Splashback Part of our range of designer splashbacks, the Union Jack design is a real show stopper.

3 Polished Porcelain & Expresso Marble Mosaic A feature panel of natural stone mosaics creates a stylish look with timeless appeal.

4 Essentials & Hammered Pearl Mosaic For a more funky style, this Aqua pairing makes a bold statement.

Over the course of the last financial period we have continued to invest around 2% of sales in marketing expenditure with the objectives of driving footfall and increasing market share. Television advertising and sponsorship has proved to be the most effective way to build consumer awareness of the Topps brand. This year we resumed our previously successful weather sponsorship and have featured on both Daybreak and Channel 4 News. We have also continued our campaign of communicating our inspirational agenda through home interest magazines and PR. Our trade specific campaigns have included a Talksport radio campaign and increased use of direct mail and email and these initiatives have been successful in increasing our overall share of trade business.

COMMUNITY

Topps' 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 £200,000 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.

STAFF DEVELOPMENT

Our people are fundamental to fulfilling our key objective of delivering excellent customer service which remains as important as ever. We continue to invest in their professional development through a sophisticated in store e-learning system, which is developed and administered in-house, providing new courses and regular updates. In addition to this, under the Government's vocational educational initiative we have seen in excess of 700 colleagues successfully achieve nationally recognised qualifications in retail skills and retail management skills.

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 the coming year 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 increased by 1.0% on a like-for-like basis.

Looking ahead, whilst we recognise that there are a number of uncertainties facing our customers, we also believe that by continuing to deliver our core qualities of excellent customer service, great inspirational product ranges and outstanding overall value for money we can continue to deliver our primary goal of increasing market share and maximising returns for our shareholders.

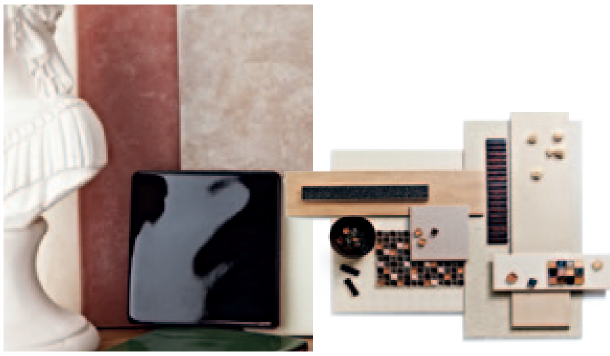
Matthew Williams,
Chief Executive Officer

26 November 2012

[2] As explained on page 1

Simply classic

Classic style is a timeless choice that is quietly elegant, this perpetual look embodies form and function with muted primary hues and a neutral colour scheme.



Rina (Black) & Cora (Cotta & Beige)

Earthy shades paired with neutral tones help to create the right classic balance.

Real and special-effect natural textures dominate the classic style, from Travertine and Marble to wood and stone-effect tiles & mosaics, there's an abundance of choice.

Here to help

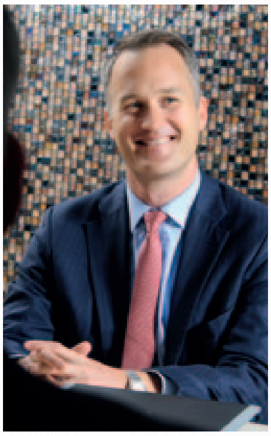
Customer service lies at the heart of our philosophy, we go way beyond the tile to ensure our customers have everything they could possibly need.

For more inspiration why not pop into one of our stores or visit:

toppstiles.co.uk

REVIEW OF THE BUSINESS

Business 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. Whilst our most recent trading period offers some encouragement, we continue to be cautious in our outlook and believe that our current strategy and objectives are therefore appropriate for the business at the present time.

Rob Parker, Chief Financial Officer (right)
Matthew Williams, Chief Executive Officer (left)

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 to its subsidiary undertakings when viewed as a whole.

NATURE, OBJECTIVES AND STRATEGIES OF THE BUSINESS

Topps Tiles is the UK's leading specialist tile retailer with a 27% market share. As a true specialist, the Topps' offer covers a wide range and includes wall and floor tiles, natural stone, laminate flooring, solid wood flooring and a comprehensive range of associated products such as under-floor heating, adhesives and grouts.

The Group strategy is focused on delivering outstanding value and service to our customers. The key elements to the success of this strategy are the friendly professionalism and expertise of our staff, store locations, product choice and availability.

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 that 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 e-commerce offering to maintain leading edge customer service
- Ensure our business model continues to address the particular requirements of both retail and trade customers

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 bi-annual review of our dividend policy
- 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.

FINANCIAL KPIs

–0.7%

Like-for-like sales growth year-on-year (52 weeks to 1 October 2011: –2.0%)

60.0%

Gross margin
(52 weeks to 1 October 2011: 59.6%)

£45.6m

Net debt
(52 weeks to 1 October 2011: £50.9m)

1.3%

Total sales growth year-on-year
(52 weeks to 1 October 2011: –3.8%)

£12.8m

Adjusted PBT*
(52 weeks to 1 October 2011: £13.9m)

*Adjusted PBT as defined on page 1

133

Inventory days
(52 weeks to 1 October 2011: 123)

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. Whilst our most recent trading period offers some encouragement, we continue to be cautious in our outlook and believe that our current strategy and objectives are therefore 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, one-off items or where we have decided that additional investment was appropriate. Further detail of expenditure is provided within the Financial Review.

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 business has made good progress this year. Having started from a position of weak consumer confidence and declining revenues the business has returned to growth over the second half of the financial period and we have been successful in our goal of growing our market share. The Board believes that the economic climate will remain uncertain and as a result consumer confidence could also be impacted.

The Board believes the business is well positioned to deal with these challenges and will continue to generate healthy profits whilst remaining cash generative.

Balancing our longer term investment needs against the uncertain economic outlook

Having made some larger infrastructure investments in the previous financial period the Board considered that a reduction to an ongoing level of investment in this period was appropriate. We have invested £6.1 million, the majority of which is for either new stores, refits or store improvement works. The Board intends to continue with this cautious expansionary approach and we will continue to open new stores where strong trading locations become available. We will also continue to invest in older parts of the store estate through a programme of minor store improvements.

REVIEW OF THE BUSINESS

Business Review continued

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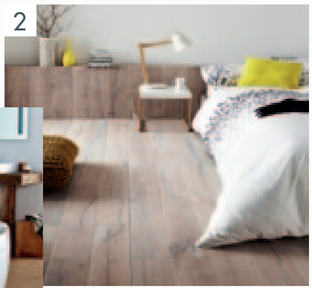

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3


NON-FINANCIAL KPIs

27%

Market share
(52 weeks to 1 October 2011: 26%)

90.6%

Net Promoter Score
(52 weeks to 1 October 2011: 88.1%)

325

Number of stores
(52 weeks to 1 October 2011: 320)

Note – Net Promoter 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 minus the percentage of detractors.

Appropriate capital structure

The Group has a £75.0 million committed revolving credit facility in place which expires 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 business also had £14.4 million in cash balances as at the financial period end, resulting in a net debt position of £45.6 million. The loan facility contains financial covenants which are tested on a bi-annual 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 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
- Tight management of cash and continued reduction in net debt to improve financial flexibility
- Continuing review of the Group's global sourcing strategy to enable us to deliver greater value for money whilst maintaining returns and minimising 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.


4

1 Arteak These wood-effect tiles enable you to achieve the aesthetic beauty of real wood with the benefits of hardwearing, high quality porcelain.

2 Wood Antartic Part of our new wood flooring range, Antartic features half-filled surface imperfections for an authentic & rustic look.

3 Metro This much-loved design classic can be worked into any style or scheme.

4 Travertine The most popular of stones, Travertine used on the wall and floor provides a unique and timeless look that oozes elegance.

GOING CONCERN

Based on a detailed review of the above risks and uncertainties and management's current expectations 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 creates a degree of uncertainty in the outlook which when 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 as well as possible mitigating actions, should they be required.

Based on this analysis the Board has concluded that the Company would be able to fully meet all of its future financial commitments and therefore considers it appropriate to prepare the financial statements on the going concern basis.

FINANCIAL REVIEW

Profit and loss account

Revenue

Revenue for the period ended 29 September 2012 increased by 1.3% to £177.7 million (2011: £175.5 million). Like-for-like store sales decreased by 0.7% in the period, which consisted of a 4.7% decrease in the first half of the financial period and a 3.5% increase in the second half.

Gross margin

Overall gross margin was 60.0% compared with 59.6% 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 60.3% in the second half of the period. The environment in which we operate continues to be a highly competitive one and we are able to utilise our scale to ensure that we can offer customers outstanding value whilst also generating 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.

Operating expenses

Total operating costs have risen from £90.6 million to £91.1 million, an increase of 0.5%. Costs as a percentage of sales were 51.3% compared to 51.6% in the previous period. When adjusting items, detailed below, are excluded operating costs were £90.0 million (2011: £87.7 million), equivalent to 50.6% of sales (2011: 50.0% of sales).

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

- Inflation at an average of approximately 2% has increased our cost base by around £1.7 million
- The average number of UK stores trading during the financial period was 320 (2011: 313), which would imply a 2.2% increase in store costs, generating approximately £1.7 million of additional costs
- Additional costs following the opening of our second warehouse account for a £0.7 million increase year-on-year
- Employee profit share costs have decreased by £0.6 million
- Stores costs have fallen by c.£1.5 million on an underlying basis due to a variety of cost saving initiatives
- 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 excluded from our adjusted operating costs due to their nature. These charges relate to impairments of plant, property and equipment of £0.5 million (2011: £1.1 million), business restructuring costs of £0.4 million (2011: £nil), and an increase in property related provisions of £0.2 million (2011: £1.9 million). 2011 also included an inventory charge of £1.3 million for which there is no equivalent charge this year.

Time to get funky

Not just for the young, **Funky style** is for those confident enough to experiment with design and create a really individual statement through the use of bold colours, rich patterns & textures and contemporary glossy finishes.

(Left to right:) Stardust Red, Fusion Yellow, Matrix Red, Diamante Blue

Vibrant colours and eclectic mixes are back in fashion, it's time to be adventurous and make a statement with your individual style.

Here to help

Our in-store experts use their knowledge and expertise to ensure our customers make the right decisions for their homes as we know that choosing tiles or wood flooring can sometimes be a little daunting.

For more inspiration why not pop into one of our stores or visit:
toppstiles.co.uk

REVIEW OF THE BUSINESS

Business Review continued

2

1


£45.6m

Net debt
(52 weeks ended 1 October 2011: £50.9m)

133

Inventory days
(52 weeks ended 1 October 2011: 123)

325

Number of stores
(52 weeks ended 1 October 2011: 320)

Operating profit
Operating profit for the period was £15.5 million (2011: £14.0 million).

Operating profit as a percentage of sales was 8.7% (2011: 8.0%).

Excluding the adjusting items detailed on page 1 operating profit was £16.6 million (2011: £18.2 million).

Other gains and losses
During the period we disposed of three freehold properties giving rise to a gain of £1.6 million (2011: £nil).

Financing
The net cash interest charge for the year was £3.8 million (2011: £4.4 million), excluding the impact of revaluations and cancellation of derivative instruments. The underlying interest charge has fallen compared to the prior financial period due to a decision to cancel 50% of the interest rate derivatives the Company had in place. The impact of this cancellation is a saving of c.£1.25 million per annum for five years and the cash cost of the cancellation was £6.7 million (2011: £nil). As this cost had been previously charged to the Company's income statement in the form of a "marked to market" transaction it is effectively offset by a reversal of the historical charge, detailed in the following section.

The remaining interest rate derivatives and forward currency contracts gave 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) gain of £5.9 million (2011: £1.6 million charge), primarily driven by the partial cancellation of the derivative, detailed in the previous section. The combined net charge for the year is therefore £0.8 million (2011: £1.6 million charge). Due to the nature of the underlying financial instruments, IAS 39 does not allow hedge accounting to be applied to these losses and hence any gains or losses against these derivatives are applied directly to the income statement rather than being offset against balance sheet reserves.

Net interest cover was 5.3 times (2011: 4.3 times) based on earnings before interest, tax, depreciation and the impairment of plant, property and equipment, excluding the impact of IAS 39 in finance charges.

Profit before tax
Reported profit before tax is £12.5 million (2011: £7.9 million).

Group profit before tax margin was 7.0% (2011: 4.5%)

Excluding the adjusting items detailed on page 1 profit before tax is £12.8 million (2011: £13.9 million).

Tax
The effective rate of Corporation Tax for the period was 21.8% (2011: 27.7% (continuing operations)).

The effective rate of Corporation Tax is lower than the UK expected rate for the year of 25% due to prior year adjustments. The underlying rate, excluding prior year adjustments, is 26.3%. This is slightly higher than the UK expected rate due to non-deductible expenditure and depreciation on assets not qualifying for capital allowances.

Earnings per share
Basic earnings per share were 5.14p (2011: 3.04p – continued and discontinued operations).

Diluted earnings per share were 5.09p (2011: 2.97p – continued and discontinued operations).

REVIEW OF THE BUSINESS

60.0%

Gross margin
(52 weeks ended 1 October 2011: 59.6%)

1 Features pieces of Ceramic Pool Mosaic Beautifully versatile, this gloss ceramic mosaic is perfect for use in any wet room area.

2 Features Metro Glass An ultra-modern twist on this much loved design classic, our Metro glass range is available in a vivid colour palette.

3 Metro Blue (wall) & Henley Cool (floor) A clever mix & match of colour, pattern & plain tiles creates a stunning funky style kitchen-diner.

Dividend and dividend policy

Trading across the year, and in particular the second half, gives the Board confidence that the business is on a secure financial footing. We strongly believe that it is appropriate to continue to reward our shareholders through a progressive dividend policy. To this end we are recommending to shareholders a final dividend of 0.75p per share (2011: 0.6p per share). This will cost £1.4 million (2011: £1.1 million). The shares will become ex dividend on 24 December 2012 and, subject to approval at the Annual General Meeting, the dividend will be payable on 31 January 2013.

This brings the total dividend for the year to 1.25p per share (2011: 1.1p per share), an increase of 13.6%.

BALANCE SHEET

Capital expenditure

Capital expenditure in the period amounted to £6.1 million (2011: £10.8 million), a decrease of 43.5%. The previous financial period included an investment of £3.1 million in a second warehouse at our central office location in Leicester, whereas this year's expenditure is more reflective of the planned future level of expenditure. Capital expenditure includes the cost of 12 new openings, 10 conversions, one relocation and 18 partial store refits at a cost of £5.2 million (2011: £5.3 million). The remaining expenditure includes the purchase of two freehold stores at a cost of £0.5 million (2011: £1.6 million) and £0.4 million towards the implementation of a new IT system (2011: £0.8 million).

At the period end the Group held seven freehold or long leasehold sites including two warehouses and distribution facilities with a total carrying value of £14.2 million (2011: eight freehold or long leasehold valued at £17.8 million).

Property disposals

During the period we disposed of three freehold properties, generating proceeds of £5.4 million (2011: £nil).

Inventory

Inventory at the period end was £25.9 million (2011: £23.8 million) representing 133 days turnover (2011: 123 days turnover). This increase in stockholding is driven by the combination of an increase in the number of stores and the new warehousing facility we have opened which is allowing us to drive gross margin improvements.

Capital structure and treasury

Cash and cash equivalents at the period end were £14.4 million (2011: £9.1 million) with repayable borrowings at £60.0 million (2011: £60.0 million).

This gives the Group a net debt position of £45.6 million (2011: £50.9 million).

Cash flow

Cash generated by operations was £19.7 million, compared to £20.7 million last period.

Matthew Williams,
Chief Executive Officer

Rob Parker,
Chief Financial Officer

26 November 2012


Period
elegan
FRESHWATER FISHES
Union

The resurgence of styles from bygone eras culminate together in our **Period style**, whether you aspire to Georgian simplicity, Shabby Chic, or Vintage glamour, you can add a touch of period style with time honoured tiles packed with nostalgic character.

Provenza, Antic

Delicate floral patterns, romantic pastel tones and crackle glaze finishes are key tile designs for this style.

Metro, Tangier

Delicate patterns, smaller tile shapes and soft pastel hues are essential for capturing period character.

Here to help

With over 1,500 experts across our network of stores, our staff are on hand every step of the way to help our customers with their home improvement project.

For more inspiration why not pop into one of our stores or visit:

toppstiles.co.uk

REVIEW OF THE BUSINESS

Corporate Social Responsibility

"Since we launched our partnership with Topps Tiles, we have seen people climb mountains, run marathons, sell thousands of wristbands, in fact, do just about anything honest and decent to raise money for Help for Heroes. The fundraising has been nothing short of extraordinary and the money raised has allowed us to provide direct, practical support to those wounded in the service of our country."

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 2004. Over the past nine years, we have evolved and enhanced our programme to ensure we are active within the communities in which we work, that we work in an environmentally conscious manner, and that 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 that 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 ninth year, our CSR programme has evolved and been enhanced since its inception, providing the framework and impetus for stores to support local activities that are a "perfect fit" for the values and culture of our Group.

Topps in the Community

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

Our mosaic programme is broken down into two key areas, sponsoring two major competitions that have been 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 ("BAMM"); and
- our own landmark 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 an important part of our community relations programme. It is an exciting way for Topps to be involved in helping the children in our local communities get outdoors and become active.

We are one of the biggest supporters of youth football in the UK and whenever we open a new store we encourage the store team 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 the worry of buying items such as kit, footballs and kitbags.

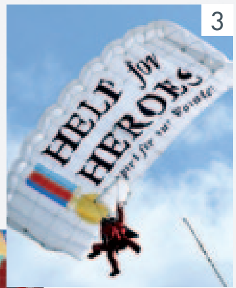
We currently support over 300 youth teams nationwide and are very proud of this association. All the activity culminates in an annual tournament where teams from across the country are invited to come together at The King Power Stadium, Leicester City FC.

REVIEW OF THE BUSINESS

1


300+

Number of football teams we sponsor in the UK

3


2


1 **Youth Football** Our annual youth football tournament at Leicester City's King Power Stadium.

2 **3** All our store & office teams regularly organise Help for Hero's Charity events.

Charity

In 2008, Topps became the first corporate sponsor of the fledgling charity, Help for Heroes. Since then, we have taken their cause to our hearts in a big way. Founded in 2007, the charity funds specialist rehabilitation projects 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 from colleagues across our business. The last year has seen an amazing fundraising drive by our employees, with individuals arranging events in their local communities (comedy nights, fun days and auctions) as well as participating in companywide fundraisers such as our "Midsummer Madness" day.

All the hard work and commitment that our employees put into our partnership has been recognised by Help for Heroes. The Group received an award for "Outstanding Support". To date, we have raised in excess of £200,000 for Help for Heroes, and will continue to support them throughout the duration of our partnership.

Bryn Parry, founder of Help for Heroes, commented "Since we launched our partnership with Topps Tiles, we have seen people climb mountains, run marathons, sell thousands of wristbands, in fact, do just about anything honest and decent to raise money for Help for Heroes. The fundraising has been nothing short of extraordinary and the money raised has allowed us to provide direct, practical support to those wounded in the service of our country".

ENVIRONMENT

Energy

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

Following a review of our existing energy procurement and renegotiation with our supplier we now source 14% of our energy needs from renewable sources.

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 objective of providing an improved environment for our customers and staff, cost savings from lower electricity consumption and maintenance costs and a reduction in our carbon footprint. We built on this success in 2012 by completing installations at a further 21 sites and are on target to complete a further 27 sites during the coming financial year.

REVIEW OF THE BUSINESS

Corporate Social Responsibility continued

1


2

Waste

Waste management has been very much a continued area of focus during the period and remains an important area for our business. We have continued to actively manage our store waste in conjunction with our chosen refuse partner and all stores use Dry Mixed Recycling which includes cardboard, paper, newspapers, plastic films, bottles, steel and aluminium cans all being collected in one bin. Our two warehouses have further reduced waste going to landfill by 34% giving a two year benefit of just under 75% and an associated reduction in the landfill skips required at the sites. Further initiatives include recycling waste wood, cardboard, plastic and paper on site before selling on to recycling companies. In the year ahead we will be reviewing our disposal of wooden crates and we are working with an environmental company that is proposing more environmental solutions.

Transport

The Topps HGV fleet continues to be bolstered by fuel efficient "Euro 5 and 6" low emission vehicles, all of our fleet now being the latest specification models. The telematics systems on all these vehicles allows full monitoring of driving standards and efficiency with the subsequent formation being utilised for tailored driver training. Drivers are also incentivised to achieve fuel efficiency levels by inclusion in their bonus scheme. The total CO_2 emissions on the Topps fleet for the period was 2,590 tonnes (2011: 2,460 tonnes), an increase of 5.3%. This increase in our own emissions has been driven by a reduction in third party haulage. As a result of this we have been able to achieve improved overall efficiencies in terms of our combined emissions. We have invested in "teardrop" trailer technology for our latest generation of trailers and this is expected to show a well proven 7% fuel efficiency on associated journeys during 2013. We have also purchased a bespoke multi urban double deck trailer that will reduce our smaller vehicle usage and allow stem mileage reductions. Our commitment to collaborating with other retailers continues to maximise efficiencies with routes shared through Scotland and plans to roll-out others in the South West.

Supply chain

We source our goods for resale from around the world. Labour standards, factory 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 all 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 full policy can be found on our website at toppstiles.co.uk in the investor section under Corporate Responsibility.

OUR PEOPLE

Our employees are a central focus for us and we want them to feel engaged and proud of their 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 give them a channel for expressing concerns and seeking advice.

Our in-house Health & Safety team maintains regular dialogue with staff and carries out periodical inspections and assessments to ensure risks are minimised or removed in our stores, warehouse and offices. 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.

REVIEW OF THE BUSINESS

1 **2** Our National Distribution Centre and transport fleet based at Leicester.

3 Staff at our store in Milton Keynes meet Julia Kendall (celebrity interior designer).

4 Support office staff celebrating all things British.

Communication and engagement

Communication with our employees is vital and we have initiatives in place to ensure regular and effective dialogue with colleagues. 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 an 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 roadshows, taking around 500 of our leaders through our strategic plans for the next three years, and ensuring all employees understand, and are part of, our vision.
- This year saw our employee representative forum (TEAM Talk) firmly embedded across the entire business, following its successful launch last year. We have also recently completed our annual Employee Opinion Survey, with a significant increase in response rates, proving that our communications programme is working effectively. These initiatives deliver a framework for employees to participate in two-way dialogue, giving them a platform from which to help shape and influence 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 colleagues 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.
- In addition to the above measures, we have an annual "back to the floor" programme where every member of the management team spends time working in our stores – we believe this provides us with a much greater level of understanding of our business and our colleagues' needs.

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.

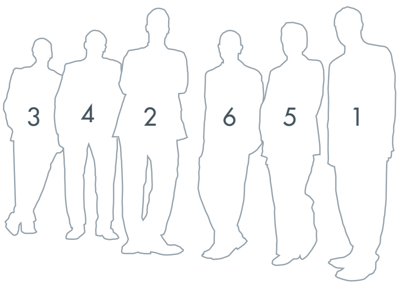
- 2012 has seen over 500 of our retail employees gain Level Two Qualifications in Retail Skills with a further 200 colleagues successfully achieving the Level Three qualification.
- The Topps Tiles Young Apprenticeships programme has continued to flourish, with a number of the programme's graduates now working in full time roles within our retail network.

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.

GOVERNANCE

Directors and Advisors



1 RT. HON. MICHAEL JACK

Privy Councillor MP
Non-Executive Chairman (aged 66)

In business Michael's management experience came from P&G, Marks and Spencer's 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 a Financial Secretary. Additionally he chaired the EFRA Select Committee. Now he chairs the recently formed Office of Tax Simplification. He joined the Board of Topps Tiles in 1999.

2 MATTHEW WILLIAMS

Chief Executive Officer (aged 38)

Matt joined the Company in 1998 after completing his Chartered Surveyors 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 Plc Board. In 2007 he was promoted to Chief Executive Officer.

3 ROBERT PARKER

Chief Financial Officer (aged 40)
Company Secretary

Secretary of Audit Committee,

Chairman of Health and Safety Committee

Rob Joined Topps Tiles in 2007 as Finance Director. Rob's previous role before joining the Group was Director of Finance & IT for Savers Health & Beauty Ltd. Prior to that Rob was with the Boots Group Plc for 10 years, ultimately as Director of Finance for Boots Retail International. He is responsible for all aspects of finance, human resources, property, IT, company legal and Group secretarial matters.

4 ALAN WHITE

Non-Executive Director (aged 57)

Chairman of Audit Committee,

Member of Nomination Committee,

Member of 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 2008.

5 CLAIRE TINEY

Non-Executive Director (aged 52)

Chairman of Remuneration Committee,

Member of Nomination Committee,

Member of Audit Committee

Claire runs her own business as an HR Consultant, Executive coach and facilitator, having spent 15 years as an Executive Director in a number of retail businesses including Mothercare and WH Smith. Most recently she was HR Director at McArthurGlen, the developer and owner of designer outlet villages throughout Europe. She has also been Non-Executive Director of Family Mosaic, since June 2010. Claire joined the Board of Topps Tiles in December 2011.

6 ANDY KING

Non-Executive Director (aged 51)

Chairman of Nomination Committee,

Member of Audit Committee,

Member of Remuneration Committee

Andy is the Chief Executive of Notcutts Garden Centres Ltd., a post he has held since 2007. Prior to that he held Global Marketing Director roles at The Body Shop, Mothercare and WH Smith, having previously spent nine years at Boots The Chemists. Until December 2011 Andy was a Non-Executive Director at The Chartered Institute of Environmental Health. Andy joined the Board of Topps Tiles in January 2012.

Advisors

Directors

The RT. Hon. J.M. Jack,
Privy Counsellor
Non-Executive Chairman

M.T.M. Williams
Chief Executive Officer

R. Parker ACMA
Chief Financial Officer

A. White FCA
Non-Executive Director

C. Tiney
Non-Executive Director

A. King
Non-Executive Director

Secretary

R. Parker ACMA

Registered number

3213782

Registered office

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Auditor

Deloitte LLP
Manchester
United Kingdom

Bankers

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CF10 2PX

Registrars

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34 Beckenham road
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Kent
BR3 4TU

Solicitors

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St. Ann's House
St. Ann Street
Manchester

Sinclair Abson Smith Lawyers
19 Market Place
Stockport
SK1 1HA

Brokers

Peel Hunt
111 Old Broad Street
London
EC2N 1PH

GOVERNANCE

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 29 September 2012. The Corporate Governance Statement set out on pages 32 to 33 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 29 September 2012 and of the position of the Group at the end of that 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 5, the CEO's statement on page 7, strategy summary on page 4, the Business Review on pages 12 to 19 and the Corporate and Social Responsibility statement on pages 22 to 25, which are incorporated in this report by reference.

The future prospects of the Group are highlighted in both the Chairman's and CEO's statement and also in the going concern section of the Business Review.

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 13 and 14.

Results and dividends

The audited Financial Statements for the 52 week period ended 29 September 2012 are set out on pages 40 to 75. The Group's profit for the period from continuing operations, after taxation, was £9,769,000 (2011: £5,714,000).

During the interim period a dividend of 0.5p per share was declared and paid (2011: interim dividend of 0.5p per share was paid).

Following careful consideration, and for the reasons given in the Chairman's statement of this report, the Board is recommending the payment of a final dividend of 0.75p per share, totalling £1,439,000 (2011: 0.6p per share, totalling £1,130,000).

Directors

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

J.M. Jack	Non-Executive Chairman
M.T.M. Williams	Chief Executive Officer
R. Parker	Chief Financial Officer
N. Ounstead	Marketing Director (resigned 25 April 2012)
A. White	Senior Independent Non-Executive Director
C. Tiney	Non-Executive Director (appointed on 12 December 2011)
A. King	Non-Executive Director (appointed on 23 January 2012)

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 provides insurance against Directors' and Officers' liabilities to a maximum value of £7,500,000.

The Directors' interests in the shares of the Company are set out on page 38.

Details of directors' share options are provided in the Directors' Remuneration Report on page 37.

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 22 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.

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 43 days purchases (2011: 38 days). Trade payables days is calculated by dividing the trade and other payables by the aggregate of cost of sales and relevant non inventory expenditure, multiplied by 365.

Charitable and political contributions

During the period the Group made no charitable donations (2011: £nil). The Group made no political contributions (2011: £nil).

Substantial shareholdings

In addition to the Directors' shareholdings noted on page 38, on 16 November 2012 the Company had been notified, in accordance with Chapter 5 of the Disclosure and Transparency Rules, of the following interests in 3% or more of its issued share capital.

	Number	% held
B.F.J. Bester	22,956,790	12.0%
Williams S K M Esq	20,593,950	10.7%
Aberforth	18,770,168	9.8%
AXA Investment Managers SA	15,101,888	7.9%
Aviva plc	11,591,935	6.0%
Cazenove Capital Management	9,707,314	5.1%
Blackrock Inc	9,781,179	5.1%
River & Mercantile Asset Management	9,169,994	4.8%
Ernstrom Finans AB	8,824,477	4.6%

Equal opportunities

At Topps Tiles we are committed to equal opportunities and ensure that we hire on potential, promote on talent and reward on success.

We aim to promote equality of opportunity in employment regardless of age, gender, colour, ethnic or national origin, culture, religion or other philosophical belief, disability, marital or civil partnership status, political affiliation, sexual identity or sexual orientation.

Employee consultation

The Group places considerable value on communication with and involvement of employees and has continued to keep all employees informed on matters affecting them and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings, electronic announcements and the Company magazine. Regular forums have been established to ensure that employee representatives are consulted on a wide range of matters affecting their current and future interests. All employees are also asked to complete a confidential annual opinion survey to ascertain their views on working for the Group and to identify any actions that can be taken to improve employee satisfaction and engagement.

Financial risk management, objectives and policies

The Group is exposed to certain financial risks, namely interest rate risk, currency risk and credit risk. Information regarding such financial risks is detailed in notes 16,17,18,19 and 20. The Group's risk management policies and procedures are also discussed in the Business Review on pages 12 to 19.

GOVERNANCE

Directors' Report continued

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 1,972,894 (2011: 6,229,563).

During the year the Company has not offered any new employee share purchase plans however the Company plans to reintroduce an annual all employee sharesave scheme from 2013 onwards.

Details of Directors' share options are provided in the Directors' Remuneration Report on page 37.

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 or herself 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 s418 of the Companies Act 2006.

Auditor

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

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
26 November 2012

GOVERNANCE

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 and B.6.2, 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. During 2012 the Board has been strengthened with the addition of two new independent Non-Executive Directors.

The Board of Directors comprises six members, of which four 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. Brief biographical details of all Directors are given on pages 26 and 27. 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 about trading performance, the Group's overall financial position and its achievement against prior year, budgets and forecasts.

Where required, a Director may seek independent professional advice at the expense of the Company. All Directors have access to the Company Secretary and they may also address specific issues to the Senior Independent Non-Executive Director.

In line with the updated UK Corporate Governance Code all Directors are subject to annual re-election. Directors are elected at the first AGM after appointment. All Non-Executive Directors have written letters of appointment.

The Board considers that the Rt. Hon. Michael Jack, Alan White, Claire Tiney and Andy King 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 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 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 29 September 2012 and the attendance record of the individual Directors.

	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings	11	2	5	2
J.M. Jack	11	2	N/A	N/A
M.T.M. Williams	11	2	N/A	N/A
N.D. Ounstead (resigned 25 April 2012)	7	1	N/A	N/A
R. Parker	11	2	N/A	N/A
A. White	11	2	5	2
C. Tiney (appointed 12 December 2011)	9	1	5	2
A. King (appointed 23 January 2012)	7	1	5	2

Statement about applying the principles of the Code

The Company has applied the principles of the UK Corporate Governance Code as reported 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 members are Claire Tiney and Andy King. The qualifications of the Audit Committee members are detailed on page 27.

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 is responsible for the review of the Company's key strategic risks and this process is performed by the Committee Chairman in conjunction with a number of senior operational managers. 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"), has provided non-audit services to the Company in the form of tax advice. 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 is aware that providing audit and non-audit advice could lead to a potential 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 for the Group since September 2003. The current audit partner's first period of signing partner was the financial period ending 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 Andy King. The other members are Alan White and Claire Tiney. The formal terms of reference for this Committee require it to make recommendations to the Board for 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 enlisted.

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. A summary of the key risks and uncertainties are detailed in the Business Review section of this report.

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 for 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
26 November 2012

GOVERNANCE

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 the 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 Claire Tiney, Alan White and Andy King. The Committee is chaired by Claire Tiney and has met five 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.

The Committee has engaged the services of Deloitte to conduct a review of remuneration and assist in proposals for a new management incentive plan. Deloitte's appointment was subject to a competitive tendering process.

During the financial period the main areas reviewed by the Committee have been the executive annual pay award, 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 package 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 and determined by the Committee prior to the beginning of each financial period and when an individual changes position or responsibility. In deciding appropriate levels, the Committee considers the Group as a whole, including levels of increases appropriate to other employees in the Group, and relies on objective research which gives up-to-date information on a comparator group of companies. In line with the general pay award for all staff, basic salaries were reviewed in June 2012 and were increased by 2%, effective from that date, in consideration of general inflation. In addition the Chief Financial Officer received an additional 3% to reflect additional responsibilities. 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 and Mr. Parker. 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 the Group out-performing the budgeted EBITDA target. For the period ending 29 September 2012 an award of approximately 44% of salary has been made. As set out below, a proportion of the annual bonus will be deferred under the deferred bonus long-term incentive plan.

Deferred bonus long-term incentive plan

Under this long-term incentive plan 25% of the annual bonus earned (net of tax) is deferred in the form of shares for a two year period, with a one for one matching share award (on a gross basis) that vests at the end of two years subject to the achievement of performance conditions relating to continuing employment within the business and EBITDA earnings growth in line with RPI measured over the two year deferral period.

Proposed changes to the management incentive plans

During the year, the Committee carried out a comprehensive review of the existing structure of the management incentive plans and as a result, beginning with the 2012/13 financial year, we are proposing to make the following changes which are subject to shareholder approval at the forthcoming Annual General Meeting in January 2013:

- the introduction of a long-term share-based award under the proposed new Topps Tiles 2013 Long-term Incentive Plan which, in conjunction with the proposed reduction in the maximum level of annual bonus from 125% of basic salary to 75% of basic salary and the removal of the current two year share matching provisions, will achieve a longer-term focus on performance.
- simplification of the management incentive plans by removing the deferred and matching share elements.
- a requirement of more stretching performance targets measured over a three year period to replace the current arrangements which give a one for one match on deferred shares subject to EBITDA growth in line with RPI over a two year deferral period; and
- the introduction of share ownership guidelines for Executive Directors requiring them to build up a shareholding equivalent to their basic salary.

It is proposed that the annual bonus will be based on a mixture of Company performance and upon achievement of strategic objectives – specifically delivering the growth drivers of the plan.

Under the proposed Topps Tiles 2013 Long-term Incentive Plan:

- participants will be granted an award over whole shares. For Executive Directors, it is proposed that the face value of the award will be up to a maximum of 100% of salary. The Committee believes that this level of award is competitive against the market and when considered in the context of our total remuneration package this does not significantly increase the overall quantum of the package.
- It is proposed that awards will be subject to the achievement of stretching cumulative adjusted Earnings Per Share ("EPS") targets measured over a three year performance period. The Committee believes this to be an appropriate and transparent measure for judging the success of our growth strategy. To ensure that the EPS performance will also deliver shareholder value, before any vesting can occur, the Committee must be satisfied that this is justified. The Committee considered the environment, external forecasts and other relevant factors (including anticipated growth rates in our major markets) when setting the EPS targets.

Further details of the principal terms of the Topps Tiles 2013 Long-term Incentive Plan are included in the documents for the AGM.

Overall these changes are designed to provide better alignment with our business strategy, our commitment towards generating long-term value and with shareholders' interests. In line with corporate governance best practice shareholders with greater than 2% ownership of the Company have been consulted in advance of these proposals and offered an opportunity to provide feedback.

Pension arrangements

This has been an area of review for the business as a whole as we prepare for auto enrolment in 2013. The level of employer contribution being made to the Company defined contribution scheme for Executive Directors is on a sliding scale up to 10% of salary per annum on a 2:1 basis – providing the employee is also contributing to the scheme. We recognise that at this level it is towards the lower end of the competitive market and would aim to improve this over time as we are committed to employees saving towards retirement. For the management team below Executive Directors the maximum Company contribution is 8% per annum.

Mr. Williams, Mr. Ounstead and Mr. Parker received contributions into their own personal pension schemes as disclosed in the table on page 37.

GOVERNANCE

Remuneration Report continued

DIRECTORS' CONTRACTS

Executive Directors

It is the Company's policy that Executive Directors are offered permanent contracts of employment with a 12 month 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 £35,000 (2011: £34,000). In addition to the basic fee there is an additional allowance paid to the Senior Independent Non-Executive Director of £6,000 (2011: £3,026). With respect to the sub-committees of the Board there is a fee paid for the additional role of Sub-Committee Chair of £5,000 (2011: £3,000). No additional fees are payable for members of each sub-committee (2011: £2,000) and each Non-Executive Director may only be paid one additional fee. 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. The Rt. Hon. Michael Jack served as Chairman throughout the period and has received total remuneration of £100,000 (2011: £66,000).

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
C. Tiney	12 December 2011	N/A	6 months
A. King	23 January 2012	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.

Total Shareholder Return Charting %

AUDITED INFORMATION

Aggregate Directors' remuneration

The total amounts for Directors' remuneration were as follows:

	2012 £'000	2011 £'000
Emoluments	**1,391**	1,013
Money purchase pension contributions	**46**	23
Share-based payments	**65**	–
Amounts receivable under long-term incentive schemes	**–**	66
	1,502	1,102

Directors' emoluments

Name of Director	**Basic salary £'000**	**Vehicle allowance £'000**	**Benefits in kind £'000**	**Money purchase pension contributions £'000**	**Share-based payments £'000**	**Bonus £'000**	**2012 £'000**	2011 £'000
M.T.M. Williams	**370**	**25**	**1**	**20**	**41**	**123**	**579**	384
N.D. Ounstead (resigned 25 April 2012)	**336**	**30**	**1**	**13**	**–**	**–**	**380***	243
R. Parker	**214**	**21**	**1**	**13**	**24**	**72**	**344**	236
Non-Executive Directors								
J.M. Jack	**100**	**–**	**–**	**–**	**–**	**–**	**100**	66
A. White	**41**	**–**	**–**	**–**	**–**	**–**	**41**	42
C. Tiney**	**31**	**–**	**–**	**–**	**–**	**–**	**31**	–
A. King**	**27**	**–**	**–**	**–**	**–**	**–**	**27**	–
B.F.J. Bester (resigned 17 May 2011)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	131
	1,119	**76**	**3**	**46**	**65**	**195**	**1,502**	1,102

* Includes payment of £240,000 for notice period plus the amount earned prior to resignation.

** Due to being appointed during the financial period these payments are not reflective of annualised costs moving forwards. Full details of fees payable to Non-Executive Directors are included above.

Directors' share options

Share options held by the Directors relate to the 2009 and 2011 Save As You Earn schemes, which was eligible to all employees. Mr. Williams and Mr. Ounstead exercised the options on the 2009 Save As You Earn scheme during the period.

Name of Director	Scheme	1 Oct 2011	Acquired	29 Sep 2012	Exercise price	Date from which exercisable	Expiry date
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. Williams	Save As You Earn April 2011	5,625	–	5,625	£0.64	1 Apr '14	1 Oct '14

There were no outstanding share options held by Directors departing during the period.

The market price of the ordinary shares at 28 September 2012 was 46.0p and the range during the period was 21.5p to 51.75p.

GOVERNANCE

Remuneration Report continued

Directors' interests

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

	2012 No. of ordinary shares of 3.33p each	**2012 Holding as % of basic salary**	2011 No. of ordinary shares of 3.33p each	2011 Holding as % of basic salary
M.T.M. Williams	**630,145**	**69.9%**	567,000	52.7%
R. Parker	**117,385**	**24.1%**	72,500	11.8%
J.M. Jack	**74,250**	**–**	74,250	–
A. White	**41,499**	**–**	41,499	–
C. Tiney	**15,480**	**–**	–	–
A. King	**–**	**–**	–	–

Holding as % of basic salary is calculated using the closing share price of 46p (2011: 34p).

Approval

This report was approved by the Board of Directors on 26 November 2012 and signed on its behalf by:

Claire Tiney,
Chair of Remuneration Committee

FINANCIAL STATEMENTS

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 29 September 2012 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 31. 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 29 September 2012 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 year 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; and
- 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 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 29 September 2012 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 26 November 2012

FINANCIAL STATEMENTS

Consolidated Statement of Financial Performance

For the 52 weeks ended 29 September 2012

	Notes	**52 weeks ended 29 September 2012 £'000**	52 weeks ended 1 October 2011 £'000
Group revenue – continuing operations	3	**177,693**	175,525
Cost of sales		**(71,144)**	(70,904)
Gross profit		**106,549**	104,621
Employee profit sharing		**(6,023)**	(6,638)
Distribution and selling costs		**(67,618)**	(65,883)
Other operating expenses		**(4,755)**	(6,393)
Administrative costs		**(7,231)**	(6,624)
Sales and marketing costs		**(5,460)**	(5,103)
Group operating profit before exceptional items		**15,462**	18,174
Impairment of plant, property and equipment	5	**–**	(1,051)
Write off of display inventories	5	**–**	(1,281)
Property related provisions	5	**–**	(1,862)
Group operating profit		**15,462**	13,980
Other gains	8	**1,624**	–
Investment revenue	9	**152**	356
Finance costs	9	**(4,108)**	(4,798)
Fair value (loss) on interest rate derivatives	9	**(637)**	(1,630)
Profit before taxation	6	**12,493**	7,908
Taxation	10	**(2,724)**	(2,194)
Profit for the period attributable to equity holders of the Company	28	**9,769**	5,714
Earnings per ordinary share	12		
From continuing operations			
– basic		**5.14p**	3.04p
– diluted		**5.09p**	2.97p

Consolidated Statement of Comprehensive Income

For the 52 weeks ended 29 September 2012

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Profit for the period	**9,769**	5,714
Total comprehensive income for the period attributable to equity holders of the parent Company	**9,769**	5,714

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

As at 29 September 2012

	Notes	52 weeks ended 29 September 2012 £'000	52 weeks* ended 1 October 2011 £'000
Non-current assets			
Goodwill	13	**245**	245
Property, plant and equipment	14	**35,016**	37,221
Deferred tax asset	21	**139**	595
		35,400	38,061
Current assets			
Inventories		**25,917**	23,800
Trade and other receivables	16	**7,085**	7,261
Cash and cash equivalents	17	**14,442**	9,088
		47,444	40,149
Total assets		**82,844**	78,210
Current liabilities			
Trade and other payables	18	**(26,099)**	(24,105)
Current tax liabilities		**(5,809)**	(5,537)
Provisions	21	**(820)**	(1,075)
		(32,728)	(30,717)
Net current assets		**14,716**	9,432
Non-current liabilities			
Bank loans	19	**(59,555)**	(59,289)
Derivative financial instruments	20	**(6,107)**	(12,186)
Provisions	21	**(1,802)**	(1,480)
Total liabilities		**(100,192)**	(103,672)
Net liabilities		**(17,348)**	(25,462)
Equity			
Share capital	22	**6,395**	6,279
Share premium	23	**1,481**	1,022
Own shares	24	**(4)**	(4)
Merger reserve	25	**(399)**	(399)
Share-based payment reserve	26	**566**	543
Capital redemption reserve	27	**20,359**	20,359
Retained earnings	28	**(45,746)**	(53,262)
Total deficit attributable to equity holders of the parent		**(17,348)**	(25,462)

The accompanying notes are an integral part of these financial statements.

* The prior period balance sheet has been represented in order that the classification of financial instruments better reflect the requirements of IAS 1. See note 20 for further detail.

The financial statements of Topps Tiles Plc, registered number 3213782, on pages 40 to 69 were approved by the Board of Directors and authorised for issue on 26 November 2012. They were signed on its behalf by:

M.T.M. Williams,
Director

R. Parker,
Director

FINANCIAL STATEMENTS

Consolidated Statement of Changes in Equity

For the 52 weeks ended 29 September 2012

	Share capital £'000	Share premium £'000	Own shares £'000	Merger reserve £'000	Share-based payment reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total equity £'000
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)
Profit and total comprehensive income for the period	–	–	–	–			9,769	9,769
Issue of share capital	116	459	–	–	–	–	–	575
Dividends	–	–	–	–	–	–	(2,087)	(2,087)
Credit to equity for equity-settled share-based payments	–	–	–	–	23	–	–	23
Deferred tax on share-based payment transactions	–	–	–	–	–	–	(166)	(166)
Balance at 29 September 2012	**6,395**	**1,481**	**(4)**	**(399)**	**566**	**20,359**	**(45,746)**	**(17,348)**

FINANCIAL STATEMENTS

Consolidated Cash Flow Statement

For the 52 weeks ended 29 September 2012

	Note	**52 weeks ended 29 September 2012 £'000**	52 weeks ended 1 October 2011 £'000
Cash flow from operating activities			
Profit for the period		**9,769**	5,714
Taxation		**2,724**	2,194
Fair value loss on interest rate derivatives		**637**	1,630
Finance costs		**4,108**	4,798
Investment revenue		**(152)**	(356)
Other gains		**(1,624)**	–
Group operating profit		**15,462**	13,980
Adjustments for:			
Depreciation of property, plant and equipment		**3,988**	4,128
Impairment of property, plant and equipment		**525**	1,051
Property related provisions		**–**	1,862
Write off of display inventories		**–**	1,281
Share option charge		**23**	176
Decrease in trade and other receivables		**62**	337
Increase in inventories		**(2,117)**	(207)
Increase/(decrease) in payables		**1,782**	(1,888)
Cash generated by operations		**19,725**	20,720
Interest paid		**(3,145)**	(4,795)
Taxation paid		**(2,161)**	(3,883)
Net cash from operating activities		**14,419**	12,042
Investing activities			
Interest received		**266**	616
Purchase of property, plant and equipment		**(6,522)**	(10,535)
Proceeds on disposal of property, plant and equipment		**5,419**	5
Net cash used in investment activities		**(837)**	(9,914)
Financing activities			
Dividends paid		**(2,087)**	(2,817)
Proceeds from issue of share capital		**575**	23
New loans		**–**	60,000
Partial settlement of interest rate hedge		**(6,716)**	–
Loan issue costs		**–**	(1,125)
Repayment of bank loans		**–**	(91,000)
Net cash used in financing activities		**(8,228)**	(34,919)
Net increase/(decrease) in cash and cash equivalents		**5,354**	(32,791)
Cash and cash equivalents at beginning of period		**9,088**	41,879
Cash and cash equivalents at end of period		**14,442**	9,088

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the 52 weeks ended 29 September 2012

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 activity are set out in the Directors' Report on page 28.

These financial statements are presented in pounds 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 20.

Adoption of new and revised standards

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

Amendment to IFRS 1 Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters. The amendment provides a limited exemption for first-time adopters from providing comparative fair-value hierarchy disclosures under IFRS 7.

IAS 24 (2009) Related Party Disclosures. The revised Standard has a new, clearer definition of a related party, with inconsistencies under the previous definition having been removed.

Improvements to IFRSs 2010. Aside from those items already identified above, the amendments made to standards under the 2010 improvements to IFRSs have had no impact on the Group.

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 (and in some cases had not yet been adopted by the EU):

IFRS 9 Financial Instruments. IFRS 9 will impact both the measurement and disclosures of Financial Instruments.

FRS 10 Consolidated Financial Statements.

IFRS 13 Fair Value Measurement IFRS 13 will impact the measurement of fair value for certain assets and liabilities as well as the associated disclosures.

IAS 1 (amended) Presentation of Items of Other Comprehensive Income.

IAS 27 (revised) Separate Financial Statements.

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 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 creates a degree of uncertainty in the outlook which, when 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 as well as possible mitigating actions, should they be required.

Based on this analysis the Board has concluded that the Company would be able to fully meet all of its financial commitments for the foreseeable future and therefore consider 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 2012 mean at 29 September 2012 or the 52 weeks then ended; references to 2011 mean at 1 October 2011 or the 52 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 £15,080,000 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.

Notes to the Financial Statements continued

2 ACCOUNTING POLICIES (CONTINUED)

f) Revenue recognition (continued)

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 benefit will flow to the Group and the amount of income can be measured reliably).

g) Exceptional items

In the prior period the Group identified certain items as exceptional where they related to one-off costs incurred in the period that the Directors do not expect to be repeated in the same magnitude on an annual basis, or where the 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 post-tax cash flows are discounted to their present value using a post-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.

2 ACCOUNTING POLICIES (CONTINUED)

j) Inventories

Inventories are stated at the lower of cost and net realisable value and relate solely to finished goods for resale. Cost comprises the 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.

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 pounds 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.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

2 ACCOUNTING POLICIES (CONTINUED)

l) Foreign currency (continued)

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 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.

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 lease 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.

2 ACCOUNTING POLICIES (CONTINUED)

q) Financial instruments (continued)

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.

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 43 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.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

2 ACCOUNTING POLICIES (CONTINUED)

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 2v.

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 re-measured to their fair value at each period end 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.

2 ACCOUNTING POLICIES (CONTINUED)

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 1 October 2005.

The Group issues equity settled share-based payments 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, and it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of that 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.

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 eight stores in the UK, including one before its lease end date. 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. Additional impairments have been made for stores which are identified for conversion during the next financial period and for loss-making stores.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

2 ACCOUNTING POLICIES (CONTINUED)

v) Critical accounting judgements and key sources of estimation uncertainty (continued)

Onerous lease provisions

During the period the Group has continued to review the performance of its store portfolio, which has resulted in one further store being exited before its lease term has expired (2011: nil stores). In respect of the leases in relation to stores exited before 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 and 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 assumptions regarding market volatility.

Tax

The Directors are aware of the material impact that corporation tax has on the Group accounts and therefore they ensure that the Group continues 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 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Revenue from the sale of goods	**177,693**	175,525
Interest receivable	**152**	316
Fair value gain on forward currency contracts	**–**	40
Total revenue	**177,845**	175,881

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

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. As there is one segment, being the operation of retail stores in the UK, and the Chief Executive bases decisions on the performance of the Group as a whole, separate operating segments have not been identified.

In 2011, information was provided to the Chief Executive concerning the TCH and Topps business units. Over time a number of TCH stores have been converted to Topps units and there are only 17 TCH stores still operating within the Group. Therefore the TCH business unit is no longer a material segment, and because strategic decisions by the Chief Executive are made on the basis of the combined Group, no separate segment information has been provided for TCH this year.

5 EXCEPTIONAL ITEMS

During the prior period the Group incurred charges which were deemed exceptional due to their magnitude. In the current period similar types of costs have been incurred but based on their limited magnitude are not deemed exceptional.

In the prior period nine stores 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 closed stores and future dilapidation costs resulting in a charge of £1,862,000. Additionally an assessment of the carrying value of display inventories lead to a write off of £1,281,000.

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Included in cost of sales:		
Write off of display inventories	**–**	1,281
Included in administrative expenses:		
Property related provisions	**–**	1,862
Impairment of property, plant and equipment	**–**	1,051
	–	4,194

6 PROFIT BEFORE TAXATION

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

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Depreciation of property, plant and equipment	**3,988**	4,128
Impairment of property, plant and equipment	**525**	1,051
Disposal of property, plant and equipment (gain)/loss	**(1,624)**	58
Property related provisions	**208**	1,862
Staff costs (see note 7)	**42,801**	42,216
Operating lease rentals	**19,295**	20,881
Write down of inventories recognised as an expense	**2,594**	2,292
Write off of display inventories	**–**	1,281
Cost of inventories recognised as expense	**68,550**	67,331
Net foreign exchange gain	**(30)**	(84)

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

6 PROFIT BEFORE TAXATION (CONTINUED)

Analysis of auditor's remuneration is provided below:

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'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	**108**	104
Total audit fees	**148**	144
Tax services:		
compliance services	**52**	34
advisory services	**–**	75
Total non-audit fees	**52**	109
	200	253

A description of the work of the Audit Committee is set out on page 33 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the author.

7 STAFF COSTS

The average monthly number of persons and their full time equivalents employed by the Group and Company in the UK during the accounting period (including executive directors) was:

	52 weeks ended 29 September 2012 Number employed	52 weeks ended 1 October 2011 Number employed
Selling	**1,488**	1,467
Administration	**166**	194
	1,654	1,661

	2012 £'000	2011 £'000
Their aggregate remuneration comprised:		
Wages and salaries (including LTIP, see note 30)	**39,148**	38,410
Social security costs	**3,478**	3,657
Other pension costs (see note 29b)	**175**	149
	42,801	42,216

Details of Directors' emoluments are disclosed on page 37. Employee profit sharing of £6.0 million (2011: £6.6 million) is included in the above and comprises sales commission and bonuses.

8 OTHER GAINS

Other gains in 2012 relate to the sale of three freehold properties.

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

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Investment revenue		
Bank interest receivable and similar income	**152**	316
Fair value gain on forward currency contracts	**–**	40
	152	356
Finance costs		
Interest on bank loans and overdrafts	**(3,940)**	(4,798)
Fair value loss on forward currency contracts	**(168)**	–
	(4,108)	(4,798)

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 levied, together with interest paid on the interest rate derivatives of £821,000 (2011: £2,075,000). 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 £805,000 (2011: £1,590,000), which include fair value losses on interest rate swaps of £637,000 (2011: £1,630,000) and fair value losses on forward currency contracts of £168,000 (2011: £40,000 gains).

10 TAXATION

Continuing operations	**52 weeks ended 29 September 2012 £'000**	52 weeks ended 1 October 2011 £'000
Current tax – charge for the period	**2,573**	3,620
Current tax – adjustment in respect of previous periods	**(139)**	(381)
Deferred tax – effect of reduction in UK corporation tax rate	**48**	168
Deferred tax – charge/(credit) for period (note 21)	**661**	(1,097)
Deferred tax – adjustment in respect of previous periods (note 21)	**(419)**	(116)
	2,724	2,194

Corporation tax in the UK is calculated at 25% (2011: 27%) 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 29 September 2012 £'000**	52 weeks ended 1 October 2011 £'000
Profit before taxation	**12,493**	7,908
Tax at the UK corporation tax rate of 25% (2011: 27%)	**3,123**	2,135
Tax effect of expenses that are not deductible in determining taxable profit	**59**	262
Tax effect of chargeable gain lower than profit on sale of freehold property	**(159)**	–
Tax effect of tangible fixed assets which do not qualify for capital allowances	**259**	294
Tax effect of adjustment in respect of prior periods	**(558)**	(497)
Tax expense for the period	**2,724**	2,194

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

11 DIVIDENDS

	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Interim dividend for the 52 week period ended 29 September 2012 of £0.005 (2011: £0.005) per share	**958**	942
Proposed final dividend for the 52 week period ended 29 September 2012 of £0.0075 (2011: £0.006) per share	**1,439**	1,129

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.

12 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.

	2012 Number of Shares	2011 Number of Shares
Weighted average number of shares		
For basic earnings per share	**190,006,223**	188,271,731
Weighted average number of shares under option	**1,749,687**	3,873,411
For diluted earnings per share	**191,755,910**	192,145,142

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 operations	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Profit after tax for the period	**9,769**	5,714
Post tax effect of:		
Impairment of property, plant and equipment	**525**	1,051
Property disposal gain	**(1,624)**	–
Interest rate derivative charge	**478**	1,190
Fair value loss/(gain) on foreign currency forward contracts	**126**	(29)
Restructuring costs	**288**	–
Loan issue cost write off	**–**	133
Display inventory write off	**–**	935
Property related provisions	**155**	1,360
Adjusted profit after tax for the period	**9,717**	10,354

13 GOODWILL

	£'000
Cost and carrying amount at 2 October 2010 and 1 October 2011 and 29 September 2012	245

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

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

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.

13 GOODWILL (CONTINUED)

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 post-tax rate of 10.9% (2011: 8.4%).

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. 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.

14 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings				
Cost	**Freehold £'000**	**Short leasehold £'000**	**Fixtures and fittings £'000**	**Motor vehicles £'000**	**Total £'000**
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
Additions	528	–	5,591	–	6,119
Disposals	(4,432)	–	(2,823)	–	(7,255)
At 29 September 2012	**15,801**	**1,842**	**53,034**	**90**	**70,767**
Accumulated depreciation and impairment					
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	–	–	(3,280)	–	(3,280)
At 1 October 2011	1,915	1,537	31,206	24	34,682
Charge for the period	290	74	3,599	25	3,988
Provision for impairment	65	–	460	–	525
Eliminated on disposals	(638)	–	(2,806)	–	(3,444)
At 29 September 2012	**1,632**	**1,611**	**32,459**	**49**	**35,751**
Carrying amount					
At 29 September 2012	**14,169**	**231**	**20,575**	**41**	**35,016**
At 1 October 2011	17,790	305	19,060	66	37,221

Freehold land and buildings include £4,104,000 of freehold land (2011: £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 (2011: £nil).

Contractual commitments for the acquisition of property, plant and equipment are detailed in note 29.

During the period, the Group has closed eight 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.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

15 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.

16 TRADE AND OTHER RECEIVABLES

	2012 £'000	2011 £'000
Amounts falling due within one year:		
Amounts receivable for the sale of goods	**750**	661
Allowance for doubtful debts	**(104)**	(104)
Other debtors and prepayments		
– Rent and rates	**5,090**	5,053
– Other	**1,349**	1,651
	7,085	7,261

The Directors consider that the carrying amount of trade and other receivables at 29 September 2012 and 1 October 2011 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 based sales in the stores.

Total trade receivables (net of allowances) held by the Group at 29 September 2012 amounted to £0.6 million (2011: £0.6 million). These amounts mainly relate to insurance generated sales, sundry trade accounts and Tesco Clubcard Scheme generated sales. In relation to these sales, the average credit period taken is 58 days (2011: 41 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, £69,000 (2011: £105,000) is due from Independent Inspections and £176,000 (2011: £105,000) 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 £211,000 (2011: £131,000) 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 197 days (2011: 168 days), however this ageing is distorted by six accounts totalling £76,000 (2011: £nil) which are overdue by 305 days (2011: 299 days).

Ageing of past due but not impaired receivables

	2012 £'000	2011 £'000
60 – 120 days	**80**	63
121 – 200 days	**55**	68
Greater than 200 days	**76**	–

The allowance for doubtful debts was £104,000 by the end of the period (2011: £104,000). 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 (2011: £104,000) which are due from companies that have been placed into liquidation.

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

17 CASH AND CASH EQUIVALENTS

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

	2012 £'000	2011 £'000
Sterling	**14,023**	7,607
US dollar	**254**	715
Euro	**165**	766
Total cash and cash equivalents	**14,442**	9,088

18 OTHER FINANCIAL LIABILITIES

Trade and other payables

	2012 £'000	2011 £'000
Amounts falling due within one year		
Trade payables	**12,916**	11,316
Other payables	**3,331**	3,419
Accruals and deferred income	**9,852**	9,370
	26,099	24,105

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 43 days (2011: 38 days). No interest is charged on these payables.

The Directors consider that the carrying amount of trade payables at 29 September 2012 and 1 October 2011 approximates to their fair value on the basis of discounted cash flow analysis.

19 BANK LOANS

	2012 £'000	2011 £'000
Bank loans (all sterling)	**59,289**	59,024
The borrowings are repayable as follows:		
On demand or within one year	**–**	–
In the second year	**–**	–
In the third to fifth year	**60,000**	60,000
	60,000	60,000
Less: Total unamortised issue costs	**(711)**	(976)
	59,289	59,024
Issue costs to be amortised within 12 months	**266**	265
Amount due for settlement after 12 months	**59,555**	59,289

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

19 BANK LOANS (CONTINUED)

The Directors consider that the carrying amount of the bank loan at 29 September 2012 and 1 October 2011 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:

	2012 %	2011 %
Loans	**4.54**	3.11

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

The Group 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 29 September 2012, the Group had available £15 million (2011: £15 million) of undrawn committed banking facilities.

20 FINANCIAL INSTRUMENTS

Financial liabilities held for trading have been reclassified in the current year in order to more appropriately reflect the requirements of IAS 1. Classification as non-current liabilities ensures the instrument mirrors the cash flows of the loan facility, which it is in place to hedge against. Prior period comparative amounts have been reclassified on the same basis, which has reduced prior period current liabilities by £12.2 million, with no overall impact on net liabilities.

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 2011. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 19, cash and cash equivalents disclosed in note 17 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in notes 22 to 28.

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	
	2012 £'000	2011 £'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	**15,088**	9,645
Financial liabilities		
Held for trading	**6,107**	12,186
Fair value through profit and loss	**102**	–
Amortised cost	**85,552**	83,394

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.

20 FINANCIAL INSTRUMENTS (CONTINUED)

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		Liabilities	
	2012 £'000	2011 £'000	**2012 £'000**	2011 £'000
Euro	**177**	766	**1,253**	1,027
US dollar	**254**	715	**434**	128

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.

	2012 £'000	2011 £'000
Profit or Loss movement on a 10% strengthening in Sterling against the Euro	**98**	24
Profit or Loss movement on a 10% strengthening in Sterling against the US Dollar	**16**	(53)
Profit or Loss movement on a 10% weakening in Sterling against the Euro	**(120)**	(29)
Profit or Loss movement on a 10% weakening in Sterling against the US Dollar	**(20)**	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:

	2012 £'000	2011 £'000
Forward foreign exchange contracts	**5,132**	4,778

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 29 September 2012 the fair value of the Group's currency derivatives is a £102,000 liability within accruals and deferred income (note 18) (2011: an asset of £70,000). These amounts are based on market value of equivalent instruments at the balance sheet date.

Losses of £168,000 are included in finance costs (note 9) (2011: £40,000 gain).

Notes to the Financial Statements continued

20 FINANCIAL INSTRUMENTS (CONTINUED)

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	
	2012 £'000	2011 £'000	**2012 £'000**	2011 £'000
Profit or (loss)	**723**	1,553	**(441)**	(1,280)

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

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 derivative comprises of a 10 year cancellable collar with a notional value of £30 million (2011: £20 million) with a cap of 5.6% and a floor of 4.49%. The interest rate within this range is LIBOR less 0.4%. Where 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 29 September 2012 is estimated at £6,107,000 (2011: £12,186,000). An amount of £637,000 has been charged to the statement of financial performance in the period (2011: £1,630,000) to reflect the fair value loss.

On 27 October 2011 the Group settled the five year interest rate swap for a consideration of £476,000, additionally on 1 November 2011 the Group entered into a legally binding agreement committing it to a partial trade termination amounting to 50% of the 10 year cancellable collar, which was settled on 3 April 2012 for a consideration of £6,240,000.

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 cash and derivative balances and do not consider there to be a material risk. 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 16.

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 19 is a description of additional undrawn facilities that the Group has at its disposal to reduce liquidity risk further.

20 FINANCIAL INSTRUMENTS (CONTINUED)

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 (and on the assumption that the variable interest rate remains constant at the latest fixing level of 3.54658% (2011: 3.42009%)) 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.

2012	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	Total £'000
Non-interest bearing	**26,099**	**–**	**–**	**–**	**26,099**
Variable interest rate instruments	**197**	**379**	**1,742**	**63,888**	**66,206**

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

The Group is financed through a £75 million (£60 million utilised) revolving credit facility. In the current and prior periods the total unused amount of financing facilities was £15 million at the balance sheet date. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

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.

2012	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	**–**	**(364)**	**(1,103)**	**(3,883)**	**–**	**(5,350)**
Foreign exchange forward contracts payments	**–**	**(3,296)**	**(1,836)**	**–**	**–**	**(5,132)**
Foreign exchange forward contracts receipts	**–**	**3,199**	**1,839**	**–**	**–**	**5,038**

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

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 categorisation) that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

21 PROVISIONS

	2012 £'000	2011 £'000
Onerous lease provision	**1,080**	1,097
Dilapidations provision	**1,542**	1,458
	2,622	2,555
Current	**820**	1,075
Non-current	**1,802**	1,480
	2,622	2,555

	Onerous lease provision £'000	Dilapidations provision £'000	Total £'000
At 1 October 2011	1,097	1,458	2,555
Additional provision in the year	657	249	906
Utilisation of provision	(391)	(165)	(556)
Release of provision in the year	(283)	–	(283)
At 29 September 2012	**1,080**	**1,542**	**2,622**

The onerous lease provision relates to estimated future unavoidable lease costs in respect of closed, non-trading and loss making stores. The provision is expected to be utilised over the following four 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 eight 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 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)
(Credit)/Charge to income	(9)	(14)	(23)	(39)	845	(99)	661
Credit in respect of previous periods	28	–	–	–	–	(447)	(419)
Impact of rate change	(147)	2	25	(1)	166	3	48
Charge to equity	–	–	166	–	–	–	166
As at 29 September 2012	**1,719**	**(54)**	**(140)**	**(23)**	**(1,063)**	**(578)**	**(139)**

The Government announced in March 2012 that it intends to further reduce the rate of corporation tax to 22% by 1 April 2014, and the Finance Act 2012, which was substantively enacted in July 2012, included provisions to reduce the rate of corporation tax to 23% with effect from 1 April 2013. Accordingly, deferred tax balances have been revalued to the lower rate of 23% in these accounts, which has resulted in a charge to the income statement of £48,000.

22 CALLED-UP SHARE CAPITAL

	2012 £'000	2011 £'000
Authorised 240,000,000 (2011: 240,000,000) ordinary shares of 3.33p each (2011: 3.33p)	**8,000**	8,000
Authorised 37,000,000 (2011: 37,000,000) redeemable B shares of £0.54 each	**19,980**	19,980
Authorised 124,890,948 (2011: 124,890,948) irredeemable C shares of £0.001 each	**125**	125
	28,105	28,105
Issued and fully-paid 191,852,710 (2011: 188,365,802*) ordinary shares of 3.33p each (2011: 3.33p)	**6,395**	6,279
Total	**6,395**	6,279

During the period the Group issued 3,486,908 (2011: 163,479) ordinary shares with a nominal value of £116,229 (2011: £5,449) under share option schemes for an aggregate cash consideration of £575,340 (2011: £26,694).

* During the previous period 122,000 (£4,000) shares were purchased by Topps Tiles Employee Benefit Trust on behalf of the Directors and Senior Management Team. These have not been paid for at the balance sheet date.

23 SHARE PREMIUM

	2012 £'000	2011 £'000
At start of period	**1,022**	1,001
Premium on issue of new shares	**459**	21
At end of period	**1,481**	1,022

24 OWN SHARES

	2012 £'000	2011 £'000
At start of period	**(4)**	–
Issued in the period	**–**	(4)
At end of period	**(4)**	(4)

A subsidiary of the Group holds 122,000 shares with a nominal value of £4,000 and therefore these have been classed as own shares.

25 MERGER RESERVE

	2012 £'000	2011 £'000
At start and end of period	**(399)**	(399)

26 SHARE-BASED PAYMENT RESERVE

	2012 £'000	2011 £'000
At start of period	**543**	367
Credit to equity for equity-settled share-based payments	**23**	176
At end of period	**566**	543

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

27 CAPITAL REDEMPTION RESERVE

	2012 £'000	2011 £'000
At start and end of period	**20,359**	20,359

The capital redemption reserve arose on the cancellation of treasury shares and as a result of a share reorganisation in 2006.

28 RETAINED EARNINGS

	£'000
At 2 October 2010	(56,131)
Dividends (note 11)	(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)
Dividends (note 11)	(2,087)
Deferred tax on sharesave scheme taken directly to equity	(166)
Net profit for the period	9,769
At 29 September 2012	**(45,746)**

29 FINANCIAL COMMITMENTS

a) Capital commitments

At the end of the period there were capital commitments contracted of £300,000 (2011: £300,000).

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 £175,000 (2011: £149,000).

c) Lease commitments

Minimum future sublease payments expected to be received under non-cancellable subleases amount to £1,805,000.

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 £19,295,000 which includes property service charges of £591,000 (2011: £20,881,000 including property service charges of £699,000).

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:

	2012		2011	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
– within 1 year	**19,335**	**1,025**	18,401	1,156
– within 2 – 5 years	**63,334**	**1,160**	61,188	1,738
– after 5 years	**65,646**	**25**	66,485	39
	148,315	**2,210**	146,074	2,933

Operating lease payments primarily 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 (2011: five).

30 SHARE-BASED PAYMENTS

The Group operates three share option schemes in relation to Group 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 2012	No. of options outstanding 2011
26 January 2001	**54p**	**7 Years**	**–**	–
12 February 2002	**54p**	**7 Years**	**–**	40,779
			–	40,779

Movements in share options are summarised as follows:

	2012 Number of share options	2012 Weighted average exercise price £	2011 Number of share options	2011 Weighted average exercise price £
Outstanding at beginning of period	**40,779**	**0.54**	118,799	0.54
Exercised during the period	**–**	**–**	(41,520)	0.54
Expired during the period	**(40,779)**	**0.54**	(36,500)	0.54
Outstanding at end of period	**–**	**–**	40,779	0.54
Exercisable at end of period	**–**	**–**	40,779	0.54

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:

	2012 Number of share options	2012 Weighted average exercise price £	2011 Number of share options	2011 Weighted average exercise price £
Outstanding at beginning of period	**6,229,563**	**0.25**	5,452,947	0.19
Issued during the period	**–**	**–**	1,259,204	0.64
Expired during the period	**(769,761)**	**0.48**	(482,588)	0.46
Exercised during the period	**(3,486,908)**	**0.17**	–	–
Outstanding at end of period	**1,972,894**	**0.32**	6,229,563	0.25
Exercisable at end of period	**1,972,894**	**0.32**	6,229,563	0.25

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

		2012	2011
Weighted average share price	– pence	**39.8**	31.5
Weighted average exercise price	– pence	**31.8**	25.2
Expected volatility (3 and 5 years)	– %	**47.3 and 70.6**	74.1 and 67.9
Expected life	– years	**3 or 5**	3 or 5
Risk-free rate of interest	– %	**0.2**	0.7
Dividend Yield	– %	**4.09**	5.37

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

30 SHARE-BASED PAYMENTS (CONTINUED)

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous three or five years (2011: three or five years). The expected risk used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, 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) for the Senior Management Team 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, for a two year period, with a further match 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 measured over the two year period.

For the period ended 2 October 2010 it was determined that a bonus be paid equivalent to 50% of basic salary for Executive Directors and the members of the Senior Management Team. 25% of the annual bonus was deferred under the deferred bonus long-term incentive plan. The total number of shares due to be awarded was 121,959, and the fair value of these deferred shares as at 29 September 2012 was £73,000 (2011: £73,000).

The total number of matching shares that are expected to be awarded, subject to fulfilment of the performance conditions is nil, and the fair value of these matching shares as at 29 September 2012 was £nil. No options were granted or exercised during the period (2011: None). There were no options outstanding at 29 September 2012.

During the period, matching shares concerning the 2011 bonus award were recognised as a credit. This amounted to £66,000 (2011: £66,000 expense).

A new deferred bonus long-term incentive plan (LTIP) has been proposed for the Senior Management Team, to run from October 2012 to October 2014. Under this long-term incentive plan 25% of the annual bonus (net of tax) is deferred in the form of shares for a two year period, with a matching share award (on a gross basis) that vests at the end of two years subject to the achievement of performance conditions relating to continuing employment within the business and EBITDA earnings growth measured over the two year period.

For the period ended 29 September 2012 it was determined that a bonus be paid equivalent to 44.4% of basic salary for Executive Directors and the members of the Senior Management Team. 25% of the annual bonus was deferred under the deferred bonus long-term incentive plan. The total number of shares due to be awarded was 191,084, and the fair value of these deferred shares as at 29 September 2012 was £95,000 (2011: £nil).

The inputs to the Black-Scholes Model are as follows:

		2012	2011
Weighted average share price	– pence	**49.7**	65.8
Weighted average exercise price	– pence	**–**	–
Expected volatility	– %	**53.4**	45.3
Expected life	– years	**2**	2
Risk-free rate of interest	– %	**0.2**	0.6

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2010/11 and 2011/12 financial periods (2011: 2009/10 and 2010/11 financial period). The expected risk used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural forces.

In total, the Group recognised a total expense of £23,000 (2011: £176,000 expense) relating to share-based payments.

31 RELATED PARTY TRANSACTIONS

S.K.M. Williams had the non-statutory role of President (resigned March 2012), advising on property matters and is a related party by virtue of his 10.8% shareholding (20,953,950 ordinary shares) in the Group's issued share capital (2011: 10.6% shareholding of 19,903,950 ordinary shares).

At 29 September 2012 S.K.M. Williams was the landlord of four properties leased to Multi Tile Limited, a trading subsidiary of Topps Tiles Plc, for £178,000 (2011: three properties for £136,000) per annum.

No amounts were outstanding with S.K.M. Williams at 29 September 2012 (2011: £nil).

The lease agreements on all properties are operated on commercial arm's-length terms. His salary for the year in his role as President was £24,000 (2011: £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 the exemption available under IAS 24.

The remuneration of the Board of Directors, who are considered key management personnel of the Group was £1.5 million (2011: £1.1 million) as well as share-based payments of £65,000 (2011: £nil). Further information about the remuneration of the individual Directors is provided in the Remuneration Report on pages 34 to 38.

FINANCIAL STATEMENTS

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 29 September 2012, 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 29 September 2012;
- 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 29 September 2012.

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

Chartered Accountants and Statutory Auditor Manchester, United Kingdom 26 November 2012

FINANCIAL STATEMENTS

Company Balance Sheet

As at 29 September 2012

	Notes	52 weeks ended 29 September 2012 £'000	52 weeks ended 1 October 2011 £'000
Fixed assets			
Investments	3	**2,920**	2,928
Current assets			
Debtors due within one year	4	**35**	38
Debtors due after one year	4	**221,200**	221,200
Cash at bank and in hand		**20,270**	24,157
		241,505	245,395
Creditors: Amounts falling due within one year	5	**(1,139)**	(615)
Net current assets		**240,366**	244,780
Net assets		**243,286**	247,708
Capital and reserves			
Called-up share capital	6,7	**6,395**	6,279
Share premium	7	**1,481**	1,022
Share-based payment reserve	7	**532**	482
Capital redemption reserve	7	**20,359**	20,359
Other reserve	7	**6,200**	6,200
Profit and loss account	7	**208,319**	213,366
Equity shareholders' funds		**243,286**	247,708

The financial statements of Topps Tiles Plc, Companies House number 3213782, were approved by the Board of Directors on 26 November 2012 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 29 September 2012

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 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 creates a degree of uncertainty in the outlook which when 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 as well as possible mitigating actions, should they be required.

Based on this analysis the Board has concluded that the Company would be able to fully meet all of its future financial commitments and therefore consider it appropriate to prepare the financial statements on the going concern basis.

There have been no changes to the principal accounting policies in the period, all of which have 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 credit added to the cost of investment in those subsidiaries whose employees receive the benefit of the share options is £8,000 (2011: £127,000). In respect of the deferred long-term bonus incentive plan, the share-based payment charge within the Company is £57,000 in respect of the matching share award (2011: £32,000 in respect of the deferred share award).

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 29 September 2012 of £5,047,000 (2011: £4,858,000).

The auditor's remuneration for services to the Company was £40,000 for audit related work (2011: £40,000 for audit related work). Fees relating to non-audit work totalled £nil (2011: £nil), see note 6 to the Group financial statements for further details.

The Company had no other employees other than the Directors (2011: same), whose remuneration is detailed on page 37.

3 FIXED ASSET INVESTMENTS

	Shares £'000
At 1 October 2011	2,928
Movement in share options granted to employees	(8)
At 29 September 2012	**2,920**

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.

*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.

4 DEBTORS

	2012 £'000	2011 £'000
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	–	4
Other debtors	22	28
Prepayments and accrued income	13	6
	35	38
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 probable that there will be insufficient suitable profits arising when the shares are awarded against which to relieve the deduction.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Trade and other creditors	16	49
Amounts owed to subsidiary undertakings	130	292
Accruals and deferred income	993	274
	1,139	615

Notes to the Company Financial Statements continued

6 CALLED-UP SHARE CAPITAL

	2012 £'000	2011 £'000
Authorised 240,000,000 (2011: 240,000,000) ordinary shares of 3.33p each (2011: 3.33p)	**8,000**	8,000
Authorised 37,000,000 (2011: 37,000,000) redeemable B shares of £0.54 each	**19,980**	19,980
Authorised 124,890,948 (2011: 124,890,948) irredeemable C shares of £0.001 each	**125**	125
	28,105	28,105
Issued and fully-paid 191,852,710 (2011: 188,365,802*) ordinary shares of 3.33p each (2011: 3.33p)	**6,395**	6,279

*During the prior period 122,000 (£4,000) shares were purchased by Topps Tiles Employee Benefit Trust on Behalf of the Directors and Senior Management Team. These have not been paid for at the balance sheet date.

During the period of the Group allotted 3,486,908 (2011: 163,479) ordinary shares with a nominal value of £116,230 (2011: £5,449) under share option schemes for an aggregate cash consideration of £575,340 (2011: £26,694).

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 equity £'000
At 1 October 2011	6,279	1,022	482	20,359	6,200	213,366	247,708
Loss for the period	–	–	–	–	–	(5,047)	(5,047)
Issue of new shares	116	459	–	–	–	–	575
Credit to equity for equity-settled share-based payments	–	–	50	–	–	–	50
At 29 September 2012	**6,395**	**1,481**	**532**	**20,359**	**6,200**	**208,319**	**243,286**

At 29 September 2012, the Directors consider the other reserves 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 29 September 2012. This arose on an unrealised gain on the intragroup disposal of subsidiary companies.

ADDITIONAL INFORMATION

Five Year Record

Unaudited

	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	**52 weeks ended 29 September 2012 £'000**
Group revenue	208,084	186,061	183,420	175,525	**177,693**
Group operating profit	34,620	16,425	20,899	13,980	**15,462**
Profit before taxation	27,723	4,904	13,397	7,908	**12,493**
Shareholders' deficit	(55,113)	(53,282)	(28,530)	(25,462)	**(17,348)**
Basic earnings per share	9.56p	1.00p	5.37p	3.04p	**5.14p**
Dividend per share	3.00p	–	–	1.50p	**1.10p**
Dividend cover	3.19	–	–	1.92	**4.68**
Average number of employees	1,743	1,625	1,615	1,661	**1,654**
Share price (period end)	58.25p	94.41p	60.0p	34.0p	**46.0p**

All figures quoted are inclusive of continued and discontinued operations.

ADDITIONAL INFORMATION

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 Wednesday 23rd January 2013 at 10.30am for the purpose of considering the following resolutions:- resolutions 1 to 11, (inclusive) and resolution 15 as ordinary resolutions and resolutions 12 to 14 (inclusive) as special resolutions.

ORDINARY BUSINESS

1. To receive and adopt the Company's Annual Report and Financial Statements for the financial period ended 29th September 2012 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 0.75 pence 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 The Rt. Hon. Michael Jack as a Director of the Company.
6. To re-elect Alan White as a Director of the Company.
7. To re-elect Claire Tiney as a Director of the Company.
8. To re-elect Andy King 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 29th September 2012 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 Resolutions 11 and 15 will be proposed as Ordinary Resolutions and, in the case of Resolutions 12 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 £2,127,435 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 or as nearly as practical (and taking into account any prohibitions against or difficulties concerning the making of an offer of allotment to shareholders whose registered address 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 entitlement 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 £319,435 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 3⅓p each in the capital of the Company ("Ordinary Shares") provided that:
    (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 28,586,053. (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 3⅓p;
    (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.
15. THAT:
    (a) the rules of the Topps Tiles 2013 Long Term Incentive Plan in the form produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification (the "Plan"), the principal terms of which are summarised in the explanatory notes to this Notice of Annual General Meeting be and are hereby approved and the Directors of the Company be and are hereby authorised to adopt the Plan and do all acts and things which they may, in their absolute discretion, consider necessary or expedient to give effect to the Plan; and
    (b) the Directors of the Company be authorised to establish further schemes based on the Plan but modified to take account of local tax, exchange, control or securities laws in overseas territories, provided that any shares made available under such further schemes are treated as counting against any limits on individual or overall participation in the Plan.

NOTES

1. The right to vote at the meeting is determined by reference to the register of members. Only those members registered in the register of members of the Company as at 6:00pm on 21st January 2013 or, in the event that the meeting is adjourned, close of business on such date being not more than 2 days prior to the date fixed for the adjourned meeting. Changes to entries in the register of members after 6:00pm on 21st January 2013 or, in the event that the meeting is adjourned, after 2 working days 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 10.30 am on 21 January 2013 (or, in the event that the meeting is adjourned, no later than 2 working days 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 191,852,710 ordinary shares of 3⅓p each. Each ordinary share carries the right to one vote at a general meeting of the Company.

ADDITIONAL INFORMATION

Notice of Annual General Meeting continued

6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.
7. In the case of joint holders, where more than one 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.
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 issuers' 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 provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is 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 any such right or does not wish to exercise such right, the nominee may have a right under any such agreement to give instructions to the member as to the exercise of voting rights.
12. Capita Registrars maintain the Company's share register. They 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.

Rob Parker

Company Secretary

26 November 2012

Registered Office:

Thorpe Way,
Grove Park,
Enderby,
Leicestershire, LE19 1SU

Registered No:

3213782

ADDITIONAL INFORMATION

Explanatory Notes to the Notice of Annual General Meeting

THE ANNUAL GENERAL MEETING of the Company will be held at the Company's premises at Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU on Wednesday 23 January 2013 at 10.30am.

Five 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 0.75 pence per Ordinary Share is recommended by the Directors for payment to shareholders on the register of members of the Company at 6pm on 21 January 2013. Subject to approval by the Ordinary Shareholders at the Annual General Meeting, the dividend will be paid on 31 January 2013. An interim dividend of 0.50p was declared which means the total dividend level will be 1.25 pence per Ordinary Share for the 52 weeks prior to 29 September 2012.

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 (except in relation to Andy King who has been appointed since the last Annual General Meeting), 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 pages 27 of the Annual Report and Financial Statements.

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 £2,127,435 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 £319,435 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 to exercise its 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.

ADDITIONAL INFORMATION

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 tender or partial offer to all shareholders is required to be made to perform any share buy-back. 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 3⅓p 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 29 September 2012, there were options to subscribe for 1,972,894 equity shares outstanding under various schemes representing approximately 1% of the current issued share capital of the Company. If the authority sought by Resolution 13 was exercised in full, the number of outstanding options would represent approximately 1.2% 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 this 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.

Resolution 15

Proposal to adopt a Long Term Incentive Plan

Resolution 15 proposes that the Directors be authorised to adopt the Topps Tiles 2013 Long Term Incentive Plan (the "Plan").

Following a comprehensive review by the Remuneration Committee ("the Committee") of the existing structure of the management incentive plans shareholder approval is being sought for the Plan to replace the current deferred bonus long term incentive plan from the 2013 financial year. As part of these changes, and subject to shareholder approval for the new Plan, we are also reducing the levels of annual bonus.

The rationale for the new Plan is set out on page 35 of the Remuneration Report for 2012 and the principal terms are summarised below.

1. Eligibility

Employees (including Executive directors of the Company) will be eligible to participate in the Plan. However, the Plan will operate selectively, at the discretion of the Committee.

2. Form of Awards

Awards may be in the form of:

- a conditional right to acquire ordinary shares in the Company ("Shares") at no cost to the participant ("Conditional Award");
- an option to acquire Shares at no cost to the participant (a "Nil-Cost Option");

In this summary, the term "Award" means an award granted under the Plan in either of these forms.

3. Performance Conditions

The vesting of Awards will be subject to the satisfaction of a performance condition measured over a performance period of at least three years.

For Awards made to an Executive director of the Company, the performance condition for the performance period from 2012/13 to 2014/15 will be based on the Company's Earnings Per Share (EPS) performance and vesting of the Awards will also be subject to an additional underpin as described in more detail below.

EPS Targets

For the first three year performance period, EPS performance will be measured based on the cumulative adjusted EPS achieved over the performance period from 2012/13 to 2014/15. The cumulative EPS target is expressed post the charges for all management incentives. The cumulative adjusted EPS targets for the period 2012/13 to 2014/15 are:

Cumulative EPS for the period 2012/2013 to 2014/2015	Percentage of the Award that will vest
17.1 pence per Share	25%
Greater than 17.1 pence per Share but less than 18.4 pence per Shares	Determined on a straight line basis between 25% and 100%
18.4 pence per Share	100%

The above targets equate to adjusted EPS growth from the 2011/12 outturn of c.7% growth per annum for 25% vesting and c.11% per annum for 100% vesting.

Underpin

The vesting of these Awards will be subject to an additional test based on a qualitative assessment of the underlying financial performance of the Company by the Committee including consideration of market share, margin performance, net debt and overall returns to shareholders. The key conclusions from this assessment and the basis for any adjustment to the levels of vesting determined using the EPS targets will be disclosed retrospectively following vesting.

Variation of performance conditions

The Committee may amend or substitute the performance conditions if it considers it necessary taking into account, for example:

- the materiality and timing of any transaction;
- the need to ensure performance is measured on a consistent and fair basis from year to year; and
- the need to encourage the right behaviours (e.g. incentivising management to take actions which enhance shareholder value).

Any amended or substituted performance condition would not be materially less difficult to satisfy. Any adjustment under this paragraph may be up or down. Any variation in targets will be disclosed in the Remuneration Report for the financial year in which such variation is made.

4. Individual limits

Ordinarily, Awards will not be granted to a participant under the Plan over Shares with a market value (as determined by the Remuneration Committee) in excess of 100 per cent of salary in respect of any financial year. However, the Remuneration Committee may, in exceptional circumstances, grant Awards to a participant under the Plan in respect of shares with a market value (as determined by the Remuneration Committee) of up to 200 per cent of salary in respect of any financial year.

It is the Remuneration Committee's intention that the first grant of Awards to participants who are Executive directors will be over Shares with a market value equal to 100 per cent of salary.

5. Grant of Awards

Awards may only be granted within the six week period following the approval of the Plan by the Company's shareholders, the announcement of the Company's results for any period, any day on which a restriction on the grant of Awards is lifted, or on any day on which the Committee determines that exceptional circumstances exist.

The first grant of awards is intended to be made as soon as practicable following approval of the Plan at the Annual General Meeting.

ADDITIONAL INFORMATION

Explanatory Notes to the Notice of Annual General Meeting continued

6. Terms of Awards

Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

7. Entitlement to Dividends

The Committee may determine that the number of Shares to which a participant's Award relates shall increase to take account of dividends paid on vested Shares from the grant date until the date of vesting on such terms as determined by the Committee. The Committee may determine that the participant shall receive the cash equivalent of the additional Shares.

8. Overall limits

The Plan is subject to the following overall limits:

- in any ten year period, the number of Shares which may be issued under the Plan and under any other discretionary share plan adopted by the Company may not exceed five per cent of the issued ordinary share capital of the Company from time to time; and
- in any ten year period, the number of Shares which may be issued under the Plan and under any other employees' share plan adopted by the Company may not exceed ten per cent of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

9. Reduction for Malus

The Committee may, in its absolute discretion, determine at any time prior to the vesting of an Award to:

- reduce the number of Shares to which an Award relates;
- cancel an Award; or
- impose further conditions on an Award;

in circumstances in which the Committee considers such action is appropriate. Such circumstances include, but are not limited to:

- a material misstatement of the Company's audited financial results;
- a material failure of risk management by the Company, any Group member or a relevant business unit; and
- serious reputational damage to the Company, any Group member or a relevant business unit as a result of the participant's misconduct or otherwise.

10. Vesting and Exercise

Awards will normally vest as soon as practicable after the end of the relevant performance period (or on such later date as the Committee determines) and then only to the extent that any performance condition has been satisfied. Nil-Cost Options will then normally be exercisable until the tenth anniversary of the grant date.

The vesting of a Conditional Award or the exercise of a Nil-Cost Option is subject to obtaining any necessary approvals or consents from the United Kingdom Listing Authority, the Company's share dealing policy and any other applicable laws or regulations.

At any time before or after the point at which an Award has vested, or a Nil-Cost Option has been exercised, but the underlying Shares have yet to be issued or transferred to the participant, the Committee may decide to pay a participant a cash amount equal to the value of the Shares he would otherwise have received.

Any Shares or cash that are to be issued, transferred or paid (as appropriate) to a participant in respect of a vested Award or an exercised Nil-Cost Option will be issued, transferred or paid (as appropriate) within 30 days of the date of vesting or exercise (as appropriate).

11. Cessation of Employment

If a participant dies, an unvested Award will, unless the Committee determines otherwise, vest as soon as reasonably practicable after the participant's death to the extent that the Committee determines, taking into account the satisfaction of the relevant performance condition at that time and, if the Committee so determines, the period of time that has elapsed since the start of the performance period until the date of death. Where Awards vest in these circumstances, Nil-Cost Options will normally be exercisable for 12 months after vesting.

If a participant ceases to be employed by the Group by reason of ill-health, injury, disability, sale of the entity that employs him out of the Group or for any other reason at the Committee's discretion (except where a participant is dismissed lawfully without notice), a participant's unvested Award will usually continue until the normal vesting date unless the Committee determines that the Award will vest as soon as reasonably practicable following the date on which the participant ceases to be employed by the Group. The Committee will decide the extent to which an unvested Award vests in these circumstances, taking account of the extent to which the relevant performance condition is satisfied at the end of any performance period or, as appropriate, at the date on which the participant ceases to be employed by the Group. Unless the Committee in its discretion determines otherwise, the period of time that has elapsed since the start of the performance period until the date on which the participant ceases to be employed by the Group will also be taken into account. Where Awards vest in these circumstances, Nil-Cost Options will normally be exercisable for six months after vesting.

If a participant ceases employment with the Group in any other circumstances an Award shall lapse on the date on which the participant ceases employment.

12. Corporate Events

In the event of a change of control of the Company, Awards will vest to the extent that the relevant performance condition has been satisfied up to the date of change of control, and, unless the Committee determines otherwise, taking into account the period of time which has elapsed between the start of the performance period and the relevant event. Nil-Cost Options will then be exercisable for a period of one month.

Alternatively, the Committee may permit or, in the case of an internal reorganisation, or if the Board determined any other event, require Awards to be exchanged for equivalent awards which relate to shares in a different company.

If other corporate events occur such as a demerger, delisting, special dividend or other event which, in the opinion of the Committee may affect the current or future value of Shares, the Committee may determine that Awards will vest conditional on the event occurring. Vesting will be subject to the satisfaction of the performance condition up to the date of the other corporate event and, unless the Committee determines otherwise, pro-rating to reflect the period from the start of the performance period to the date of the relevant event. If the event does not occur, Awards will continue.

13. Adjustments

In the event of a variation of the Company's share capital or a demerger, delisting, special dividend, rights issue or other event, which may, in the Committee's opinion, affect the current or future value of Shares, the number of Shares subject to an Award and/or any performance condition attached to Awards, may be adjusted.

14. Amendment and Termination

The Committee may amend the Plan at any time, provided that prior approval of the Company's shareholders in a general meeting will be required for amendments to the advantage of participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash comprised in an Award and the impact of any variation of capital.

However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax, exchange control or regulatory treatment may be made by the Committee without shareholder approval.

No amendment may be made to the material disadvantage of participants in the Plan unless consent is sought from the affected participants and given by a majority of them.

The Plan will usually terminate on the tenth anniversary of its approval by shareholders but the rights of existing participants will not be affected by any termination.

15. Governing Law

The Plan will be governed in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the Courts of England and Wales.

16. Documents available for inspection

The rules of the Plan will be available for inspection from the date on which this Notice of Annual General Meeting is sent until the close of the Annual General Meeting, at the offices of Deloitte LLP, Company Secretarial Department, 2 New Street Square, London, EC4A 3BZ on any weekday (Saturdays, Sundays and public holidays excluded) and at the place of the Annual General Meeting from 9.30am and until the end of the meeting.

ADDITIONAL INFORMATION

The Team

A

Aaron Foster
Aaron Henley
Aaron Smith
Abdul Rouf
Abdurrahim Mahmood
Abul Khashad
Adam Boshir
Adam Clarke
Adam Close
Adam Cook
Adam Crowe
Adam Davidson
Adam Gale
Adam Green
Adam Ireland
Adam King
Adam Nuttall
Adam Palmer
Adam Parsons
Adam Riley
Adam Rodriguez
Adam Shearsmith
Adam Venmore
Adam Ward
Adam Whittaker
Adam Williams
Adam Wolniewicz
Adil Rajah
Adnan Abdullah
Adrian Kimber
Adrian Rimmington
Aileen Crossley
Ajantha Tharmarajah
Ajay Arya
Ajay Bhakri
Akiyemi Orekoya
Aklakud Duha
Akshey Vadgama
Alan Britton
Alan Collins
Alan Haji
Alan Hughes
Alan Monk
Alan Parker
Alan Saunders
Alan Shepherd
Alan Sinclair
Alan Smalley
Alan Sproston
Alan White
Alan Wrighting
Albert Kujur
Alex Hayman
Alex Heskett
Alex Paton
Alex Whitmore
Alexander Armstrong
Alexander Esposito
Alexander Onions
Alexandria Ferguson
Alfred Kamara
Ali Rizvi
Alison Chapman
Alison Hunt
Alison Walkinshaw
Alister Watt
Allan Harper
Allan Powell
Alvin Chinyanga
Amanda Green
Amanda Hullett
Amanda Samuel
Amandeep Singh
Amir Hussain
Amit Bhargava
Amy Martin
Amy Randall
Ananthatharupan Ananthapuvirajh
Andre Oliveira
Andrea Moon
Andrew Baillie
Andrew Bartlett
Andrew Belson
Andrew Bowden
Andrew Brookfield
Andrew Canham
Andrew Chapman
Andrew Clay
Andrew Clayton
Andrew Collins
Andrew Cox
Andrew Curr
Andrew Curtis
Andrew Davis
Andrew Faulkner
Andrew Green
Andrew Hainge
Andrew Hamilton
Andrew Hanson
Andrew Harrison
Andrew Hastings
Andrew Hill
Andrew Keattch
Andrew Middleton
Andrew Page
Andrew Phillips
Andrew Riley
Andrew Salkeld
Andrew Scorgie
Andrew Taylor
Andrew Warne
Andrew Waterfield
Andrew Winterburn
Andrew Wood
Andrew Woodhouse
Andrew Woods
Andrew Young
Andy King
Andy Playfoot
Andy Shaw
Angela Capp
Angela Tremelling
Angelique Da Silva
Ann Mathias
Anna Forden
Anna Still
Anna Wedrzyk
Annabelle Price
Annmarie Malone
Ansar Ahmed
Anthony Ashton
Anthony Bennett
Anthony Christopher
Anthony Cox
Anthony Daly
Anthony Davies
Anthony Docherty
Anthony Gibby
Anthony Gilbert
Anthony Gregory
Anthony James
Anthony Linsell
Anthony Marshall
Anthony Martin
Anthony Molyneux
Anthony Wood
Antonia Rogers
Antonio Perkins
Antony Belham
Anub Varghese
Anuraag Parashar
Anwar Marshall
Anya Parsons
Arnold Harrison
Aron Hoff
Arthur van Aswegen
Ashleigh Mackinnon
Ashley Cutler
Ashley Martin
Ashley Siddons
Asim Ali
Astone Davids

B

Barbara Connor
Barbara Smith
Barclay Harding
Barrie Palmer
Barry Edwards
Barry Hodges
Barry Jones
Barry Taylor
Barry Theobald
Barry Thomas
Barry Veasey
Barry Webber
Beata Suchon
Ben Armitage
Ben Bright
Ben Brooker
Ben Freegard
Ben Hawkins
Ben Holloway
Ben Maguire
Ben Sawyer
Ben Woollins
Benjamin Hardie
Benjamin Morais
Benjamin Rich
Benjamin Rowe
Benjamin Willis
Bernadette Peasland
Bernard Fallon
Beth Boulton
Bhavna Sudera
Bill Wylie
Billy Hutchins
Billy Lodge
Bjorn Bjergfelt
Bob Barlow
Bolaji Adeyanju
Bradley Ball
Bradley Moore
Brandon Abels
Brant Wells
Bregetta Hill
Brenda Gomes De Almeida
Brendan Flynn
Brendan Holdaway
Brett Goulden
Brett Shepherd
Brian Cariello
Brian Cook
Brian Cooper
Brian Cox
Brian Crews
Brian Dicks
Brian Flatters
Brian King
Brian Lockart
Brigette Hale
Bruce Fielding
Bruce Garrod
Bruno Bernasconi
Bryan Torres Teran

ADDITIONAL INFORMATION

C

Cade Somerville
Calbert Hall
Cameron Edwards
Cameron Lowerson
Campbell Marr
Carl Cook
Carl Courtney
Carl Cumberbatch
Carl Dyke
Carl Foster
Carl Fraser
Carl Hermitt
Carl Jones
Carl Paternoster
Carl Roberts
Carl Whatley
Carlos Chowdhury
Carly Porter
Carol English
Caroline Bailey
Caroline Bennett
Caroline May
Caroline Vernon-ball
Catherine Platt
Charlene Walpole
Charles Ross
Charles Taylor
Charles Woodward
Charlotte Armstrong
Charlotte Driscoll
Charlotte Lamming
Chelsee Gee
Cheryl Vearncombe
Chetna Shah
Chia Abdulla
Chirag Shah
Chloe Dignan
Choudre Grobler
Chris Bland
Chris Brereton
Chris Cartey
Chris Curtis
Chris Foster
Chris Gage
Chris Heyes
Chris Howe
Chris Jensen
Chris Nicholls
Chris Nixon
Chris Sansby
Chris White
Christer Leth
Christian Banham
Christina Langridge
Christine Hendry
Christine Thistlethwaite
Christopher Beeson
Christopher Bowles
Christopher Burgess
Christopher Collins
Christopher Cooper
Christopher Handscomb
Christopher Harbutt
Christopher Holland
Christopher Hudson
Christopher Jarvis
Christopher Lamb
Christopher Nottle
Christopher Potter
Christopher Santos
Christopher Stobbs
Christopher Turley
Christopher Walley
Christopher Warren
Christopher Williamson
Chudry Ghani
Cindy Cox
Claire Chaffe
Claire Rayton
Claire Tiney
Clare Barden
Clare Bytheway
Clifford Afe
Colin Bell
Colin Gadd
Colin Griffiths
Colin Harvey
Colin Hoban
Colin Joy
Colin Markham
Colin Rymer
Colin Skinner
Colin Taylor
Connor Rump
Connor Turner
Conrad Harrup
Cora Morrison
Corrina Bowers
Craig Connor
Craig Deveson
Craig Dolling
Craig Hill
Craig Lewis
Craig Murphy
Craig Nammontri
Craig Nicholson
Craig Ollard
Craig Reed
Craig Tetlow
Cristina Cole
Curtis Hatton
Czeslaw Majorek

D

Dale Benford
Dale Huckle
Dale Loy
Dale Stone
Daniel Biggs
Daniel Brain
Daniel Branson
Daniel Chant
Daniel Childs
Daniel Cox
Daniel Evans
Daniel Fallows
Daniel Fifield
Daniel Findlay
Daniel Friend
Daniel Halpin
Daniel Hill
Daniel Ingham
Daniel Jones
Daniel Lee
Daniel Little
Daniel Loft
Daniel Mclean
Daniel Musguin
Daniel Robinson
Daniel Saltmarsh
Daniel Sheppard-brown
Daniel Thompson
Daniel Thornley
Daniel Weatherley
Daniel Woodford
Daniel Wren
Daniel Zanettacci
Daniella Cudner
Danielle Whittaker
Dannielle Fry
Danny Burgess
Darone Dubois-Gayere
Darran Wood
Darren Bebbington
Darren Bentley
Darren Bradley
Darren Chester
Darren Connor
Darren Doughty
Darren Harper
Darren Hyman
Darren Irving
Darren Mitchell
Darren Morgan
Darren Rawlings
Darren Read
Darren Rutledge
Darren Square
Darren Wagg
Darron Kerr
Darryl Ferry
Darryl Roberts
Dave Beasley
Dave Brooks
Dave Elliott
Dave Jobling
Dave Marsh
David Atherton
David Augustus
David Ayres
David Binns
David Blades
David Bolingbroke
David Burnikell
David Butler
David Carpenter
David Coupland
David Critchlow
David Dorney
David Drydale
David Godbold
David Harper
David Hatton
David Hayers
David Henderson
David Hill
David Hirst
David Hope
David Jones
David Kershaw
David Kettlewell
David Knight
David Lane
David Linwood
David Locke
David Macartney
David Martin
David Matthews
David Meers
David Miller
David Morris
David Murray
David Nichol
David Oliver
David Palmer
David Parr
David Prime
David Roper
David Rowlands
David Savage
David Sheehy
David Shewan
David Smith
David Steel
David Stott
David Sutcliffe
David Tempest
David Thomasson
David Thompson

ADDITIONAL INFORMATION

The Team continued

David Townsley
David Webb
David Whitelaw
David Wilson
David Yallop
Dawn Allan
Dawn Gale Curtis
Dawn Stares
Dean Bull
Dean Harper
Dean Johnson
Dean Kelly
Dean Macmillan
Dean Marshall
Dean Miller
Dean Newell
Dean Stokes
Dean Titchen
Dean Woolley
Debra Edwards
Decland Speede
Deji Babatope
Delreena Richardson
Denis O Brien
Denise Fishwick
Dennis Jepson
Dennis Jovellanos
Dennis Lammas
Denzil Johns
Derek Amoo
Derek Lambourn
Derek Sim
Derek Smith
Derek Wooller
Devindren Govender
Devon Brown
Dexter Hemmise-williams
Dhanvir Sandhu
Dilawar Ali
Dilip Parmar
Dinesh Amin
Dipal Parikh
Dishon Meade
Divyesh Javiya
Domantas Jankauskas
Dominic Hall
Dominic Reilly
Dominic Summers
Donald Magullian
Donna Boulton
Douglas Hartness
Douglas Macquarrie
Duane Glover
Duncan Foy
Duncan Fraser
Dylan Roberts

E

Eamonn Clancy
Edward Kingham
Edward Murphy
Edward Owens
Elizabeth Harbord
Elizabeth Morrissey
Elizabeth Selfridge
Emily Grice
Emily Lenton
Emily Williams
Emma Fortes
Emma Hatton
Emma Leavis
Emma Whatson
Emmanuel Liwao
Emran Mannan
Entiliano Marku
Eric Asuming
Ermiyas Girma
Esther Ezegbe
Ethan Short
Ewa Lukaszewska

F

Faisal Ashraf
Faizar Ali
Felipe Da Rocha West
Finbarr Mcquaid
Fiona Grant
Fitz Martin
Frances Aylward
Francesca Wright
Francois Van Aswegen
Frank Hibbert

G

Gail Purves
Gareth Carnegie
Gareth Carruthers
Gareth Davies
Gareth Hammond
Gareth Moss
Gareth Pye
Gareth Roberts
Gareth Ward
Garry Case
Garry Hardy
Garry Pilling
Garry Royle
Gary Ashdown
Gary Bloomfield
Gary Curtis
Gary Gear
Gary Gee
Gary Gledhill
Gary Marsden
Gary Marshall
Gary Roberts
Gary Shapcott
Gary Thatcher
Gary Wilcox
Gary Woolmore
Gaurav Daru
Gavin Bennett
Gavin Collins
Gavin Magwood
Gavin Mitchell
Gavin Richardson
Gemma Mcbirnie
Gemma Stephens
George Latham
George Martinesz
George Peck
George Tuplin
Georgina Joynson
Georgios Vamvakidis
Geraint Thorne
Gerard Mallon
Gethin Jordan
Gianfranco Zanolini
Giles Wheatley
Gillian Grace
Glen Holloway
Glendale Canoville
Glenn Alford
Glenn Claridge
Glenn Elgy
Glyn Rogers
Gordon Davies
Goutam Saha
Graham Beaney
Graham Brophy
Graham Cameron
Graham Cooper
Graham Davidson
Graham Jones
Graham Vance
Grant Harris
Grant Woolway
Gregory Barwick
Gregory Mchugh
Grzegorz Kaminski
Gurdeep Panesar
Gursharn Ladhar
Guy Ferguson

H

Hammad Hussain
Harjit Dhaliwal
Harmeet Jassal
Harriet Manning
Harry Biggs
Harry Brazier
Hassan Rajah
Hayley Bryant
Hazel Millington
Heidemarie Mcgonigle
Helen Gosling
Helen Hughes
Henry Rowe
Hitesh Nathu
Hitesh Patel
Holly Nettleton
Hugh Selley
Hunar Qudeer

I

Iain Arnott
Iain Masters
Ian Aikman
Ian Bird
Ian Bloomfield
Ian Gould
Ian Hughes
Ian Jones
Ian Marshall
Ian Mcalinden
Ian Mcloughlin
Ian Mcneish
Ian Noon
Ian Paterson
Ian Sykes
Ian Tivendale
Ian Winterburn
Ibrahim Cisse
Ima Ekanem
Imran Ashraf
Imran Isat
Iona Venn
Iqbal Hussain
Irene Dickinson
Irfan Suleri
Isaac Halstead
Iwan Jones
Izabela Krzyszkowska

J

Jabbar Shah
Jacek Zebrowski
Jack Cairns
Jack Campany
Jack Cassidy
Jack Coker
Jack Lawrence
Jack Maddison
Jack O'Neill
Jack Thornley
Jack Whitehead
Jacob Coleman
Jacqueline Byrne
Jagjit Sandhu
Jailuene Peake

Jair Sharp
Jajwinder Harar
Jake Batty
Jake Haudiquet
Jake Lancaster
Jake Leach
Jake Missen
Jake Shopland
Jake Woods
Jake Wright
James Bayley
James Biesty
James Butler
James Cameron
James Clifford
James Fox
James Heard
James Hollingshead
James Hubball
James Judkins
James Mcardle
James Mcgeoch
James Metcalf
James Morgan
James Murphy
James Pascoe
James Patston
James Pearson
James Pilfold
James Robertson
James Rolfe
James Saunders
James Taylor
James Thorning
James Vander Plank
James Walker
James Worden
Jamie Axten
Jamie Evans
Jamie Sia
Jamie Thain
Jamie Wenborn
Jan Reddi
Janet Riley
Janice Millett
Jarreth Hawkins
Jason Bennett
Jason Buckley
Jason Clare
Jason Coupland
Jason Darcy
Jason Ealden
Jason Field
Jason Harper
Jason Knox
Jason Meadows
Jason Morley
Jason Nettleford
Jason Oliver
Jason Perry
Jason Pratt
Jason Rose
Jason Stapleton
Jason Thomas
Jay Strawford
Jayandrie Chetty
Jayaprakash Paragjee
Jayash Patel
Jayde Bailey
Jaymal Arjan
Jean-luc Brocklehurst
Jeannette Hastie
Jedrzej Politowski
Jeffrey Adubofour
Jeffrey Armstrong
Jemma Jordan
Jemma Wyatt
Jenna Sysum
Jennifer Donlan
Jennifer Wall
Jenny Seabrook
Jessica Mccarthy
Jessica Thiari
Jill Cox
Jim Tuvey
Joanna Morby
Joanne Cox
Joanne Elton
Jodie Baigrie
Joe Cox
Joe Gregorace
Joe Lamond
Joe Smith
Joe Sweeney
Joelle Cochrane
John Bourke
John Boxall
John Chinn
John Coleman
John Cook
John Cooper
John Duffy
John Ellis
John Fawkes
John Forden
John Foster
John Gardner
John Harris
John Harrison
John Hesp
John Hickey
John Hughes
John Keouski
John Lewis
John Marris
John Mclaren
John Mills
John Moat
John Page
John Paine
John Pilling
John Shaw
John Smith
John Tait
John Taylor
John Thompson
John Williams
John Wright
Johnathan Mccallum
John-Paul Jones
Jon Pringle
Jon Reynolds
Jon Thatcher
Jonathan Bainbridge-Coombs
Jonathan Benn
Jonathan Bryant-williams
Jonathan Hargreaves
Jonathan Hicks
Jonathan Morgan
Jonathan Sheerin
Jonathan Smith
Jonathan Wade
Jonathan Wallace
Jonathan Williams
Jonathan Woodroff
Jonathon Hall
Jonathon Ludlow
Jon-Paul Hughes
Jon-Paul Russell
Jordan Macdonald
Josef Kinski
Joseph Lawton
Josh Badrick
Josh Batterham
Josh Dempster
Josh Wood
Joshua Gaston
Joshua Groener
Joshua Harris
Joshua Rapley
Joshua Skinner
Jubair Ahmed
Juginder Gill
Julie Brachtvogel
Julie Christie
Julie Cox
Julie Fewings
Julie Jordan
Juliet Wilford
Justin Bradley
Justin Evans
Justin Korankye-addai

K

Kabir Maan
Kalpik Singh
Kamil Janas
Kamlesh Shah
Karen Brook
Karen Dodds
Karen Leimetter
Karen Sutcliffe
Karl Atkins
Karl Batterham
Karl Harriman
Karl Johansson
Karl Stephens
Karl Verry
Kashan Riley
Kashif Munir
Katarzyna Roberts
Katherine Davis
Katherine Logan
Katherine Rudkin
Kathryn Baird
Kathryn Robinson
Katie Brindley
Katrina Gunter
Kawaljit Gulati
Keith Ambrose
Keith Earl
Keith Fitzpatrick
Keith Hughes
Keith Johnson
Keith Rudkin
Keith Storrier
Kellie Harris
Kelly Carvell
Kelly Savile
Kelly-anne O Connor
Kendra Jackson
Kenneth Owen
Kenneth Pettengale
Kenneth Westley
Kenneth Williams
Kerim Ozkolaci
Kerri Atkinson
Kerry Bates
Kerry Hume
Kevan Richardson
Kevin Baker
Kevin Bowtle
Kevin Fox
Kevin Hailes
Kevin Hartley
Kevin Hodson
Kevin Jeans
Kevin Jones
Kevin Nicol

ADDITIONAL INFORMATION

The Team continued

Kevin Rowe
Kevin Sherwood
Kevin Thorne
Keyur Pathak
Kieran Barnes-Warden
Kieran Eliot
Kieron Clarke
Kim Liddle
Kirsti Altass
Kirstie Leonard
Kris Bailey
Kristian Catterall
Kristian Powell
Krystal Miller-hazelden
Krystle Milan
Kuldeep Singh
Kunal Pandya
Kyle Hardie
Kyle Langley

L

Lance Cale
Laura Brice
Laura Edwards
Laura Henry
Laura James
Laura Johnson
Lauren Bettison
Laurence Jones
Lauretta Clarke
Leah Norris
Leanne Palmer
Lee Arrowsmith
Lee Baxter
Lee Clarke
Lee Culley
Lee Davis
Lee Dering
Lee Dover
Lee Durrant
Lee Etheridge
Lee Fisher
Lee Galloway
Lee Gardner
Lee Gibson
Lee Henry
Lee Hutchinson
Lee Jacovou
Lee James
Lee Johnstone
Lee Mayfield
Lee Mcconnell
Lee Morris
Lee Phillips
Lee Pinder
Lee Read
Lee West
Lee Wilkinson
Leema Sabir
Leena Ramsaha
Leigh Hyam
Leighton Davies
Leo Odoherty
Leon Oneill
Leon Strange
Leonard Finch
Lesley Watson
Lesley Willcox
Lesley Wilson
Leslie Shemmeld
Lester Marshall
Lewis Adkins
Lewis Axford
Lewis Edwards
Lewis Franklin
Lewis Hall
Lewis Saunders
Lewis Walter
Liam Allen
Liam Fields
Liam Fortin
Liam Gulliver
Liam Hunt
Liam Mulhall
Liam Piper
Lianne Harrison-Allcock
Lilian Pilling
Linda Scott
Lindsey Thorburn
Lisa Algar
Lisa Bannister
Lisa Holmes
Lloyd Jackson
Loren Sherwin
Lorna Bray
Lorna Hislop
Loucas Louca
Louis Crowther
Louis Johnson
Louise Sprigg
Louise Wilson
Lucy Mcginnity-bane
Luke Anderson
Luke Gibbons
Luke Gynnette
Luke Kerr
Luke Livermore
Luke Mcnally
Luke Potiphar
Luke Sargent
Luke Saunders
Luke Tilley
Lynette Grimes
Lynn Pearson

M

Maciej Rabczewski
Malcolm Ferguson
Malcolm Temple
Malik Khaliq
Mandeep Singh
Mandy Aidney
Manjit Ahluwalia
Mansoor Ali
Marc Breeze
Marc Stevens
Marcin Kupczyk
Marcin Sakowicz
Marcus Scott
Margaret Lawrie
Margaret Potter
Margot Mcdermott
Maria Furniss
Marie Rushworth
Marion Holliday
Mark Allman
Mark Barrett
Mark Bianchi
Mark Bradbury
Mark Braithwaite
Mark Brown
Mark Bryan
Mark Burgess
Mark Coe
Mark Davenport
Mark Discombe
Mark Dutton
Mark Finucane
Mark Frisby
Mark Fuller
Mark Gasson
Mark Geary
Mark Hunter
Mark Johnson
Mark Johnston
Mark Keymer
Mark Kirton
Mark Lever
Mark Maciver
Mark Mott
Mark Norcott
Mark Owen
Mark Palmer
Mark Pancott
Mark Stephens
Mark Stokoe
Mark Stone
Mark Sweet
Mark Tennant
Mark Thompson
Mark Vaughan
Mark Waldock
Mark Walters
Mark Winder
Mark Winger
Mark Wright
Marlon Barnes
Martin Byers
Martin Derricott
Martin Evans
Martin Fagan
Martin Foster
Martin Kavanagh
Martin Leon
Martin Morris
Martin Osborne
Martin Pickard
Martin Sloggett
Martin Smyth
Martin Watt
Martin Williams
Martin Winterburn
Martin Wys
Martina Way
Martyn Perry
Martyn Spring
Mary Smith
Mary Syme
Mathew Clucas
Mathew Tapp
Mathew Voysey
Matt Hammersley
Matt Hay
Matthew Antell
Matthew Attwood
Matthew Britton
Matthew Charleston
Matthew Clamp
Matthew Clayton
Matthew Dunne
Matthew Eeles
Matthew Fisher
Matthew Foster
Matthew Foulger
Matthew Harlow
Matthew Hawley
Matthew Hill
Matthew Hollinshead
Matthew King
Matthew Mcphee
Matthew Moore
Matthew Robinson
Matthew Sigley
Matthew Singleton
Matthew Stewart
Matthew Wesson
Matthew Whitlock
Matthew Williams
Matthew Woodhouse
Matthew Wright

ADDITIONAL INFORMATION

Max Whitfield
Megan Stuart
Mehmet Asdoyuran
Melanie Gray
Melanie Toole
Melissa Wadman
Melton Thompson
Melvyn Chamberlain
Metimiku Yohannes
Michael Asumadu
Michael Blinkhorne
Michael Booth
Michael Boughton
Michael Bowden
Michael Braithwaite
Michael Buckley
Michael Campbell
Michael Cosgrove
Michael Darroch
Michael Dinter
Michael Earls
Michael Fannon
Michael Finn
Michael Foley
Michael Haggett
Michael Hall
Michael Harvey
Michael Hopper
Michael Huskisson
Michael Jack
Michael Jenks
Michael Lay
Michael Litster
Michael Lovelock
Michael Mullaney
Michael Nicolson
Michael Patrick
Michael Queen
Michael Sarkey
Michael Simcoe
Michael Slater
Michael Stewart
Michael Van Sittert
Michael Weeks
Michaela Thomas
Michal Politowski
Michele Poxon
Michelle Furber
Michelle Hartley
Michelle Hill
Michelle Kempson
Michelle le Monnier
Mick Wells
Mike Butler
Mike Ingham
Mike King
Mike Potter
Miles Burden
Mitchell Williams
Mitul Patel
Mohamed Akhtar
Mohamed Patel
Mohammad Mukhtar
Mohammed Amin
Mohammed Jamil
Mohammed Jimale
Mohammed Khalid
Mohammed Memi
Mohammed Nawaz
Mohammed Parvaz
Mohammedraza Hudda
Mubashir Uddin
Muhammad Anaib Mehmood
Muhammad Mirza
Murat MacitMurdo Martin
Mr Topps (retired)

N

Narinder Chatha
Narinder Rai
Natalie Frankum
Natalie Mccuaig-finlay
Nathan Austin
Nathan Bentley-Hicks
Nathan Channing
Nathan Coulthard
Nathan Hands
Nathan Harry
Nathan Lowe
Nathan Sobers
Nathan Winterton
Nathan Wolowicz
Navesh Naidoo
Ndumiso Mafa
Neil Ammon
Neil Brownley
Neil Donkin
Neil Hendy
Neil Homan
Neil Jones
Neil Southgate
Neil Topping
Neil Wardlaw
Neil Williams
Neill Wiltshire
Nichloas Knowles
Nicholas Billyeald
Nicholas Gadd
Nicholas Kershaw
Nicholas Lawrence
Nicholas Smith
Nicholas Walch
Nicholas Withers
Nicholaus Buchanan
Nick Donkin
Nick Gussow
Nick Lodge
Nick Wardman
Nicky Glenister
Nicola Coulter
Nicola Mcwatt
Nicola Spink
Nicola Squires
Nicole Andrews
Nigel Fleming
Nigel Hickman
Nigel Parry
Niki Savva
Nikki Emerson
Nikki Jury
Nikola Sutton
Nikunjkumar Patel
Norberto Estrada

O

Oliver Clancy
Omar Malik
Omid Ibrahimi
Osemua Masaya

P

Paige Makepeace
Pamela Cuffin
Paolo Segagni
Patricia Evans
Patrick Coleman
Paul Baxter
Paul Burkett
Paul Burrow
Paul Carleton
Paul Carter
Paul Cartledge
Paul Cavell
Paul Chapman
Paul Clark
Paul Collett
Paul Cowen
Paul Cull
Paul Dalby
Paul Davey
Paul Fitzsimmons
Paul Fluester
Paul Galvin
Paul Gillham
Paul Holmes
Paul Hutchins
Paul Irving
Paul Kelly
Paul Lathrope
Paul Laverty
Paul McCabe
Paul Miller
Paul Mills
Paul Nicholls
Paul Noyes
Paul Ruddle
Paul Silvester
Paul Smith
Paul Starkey
Paul Tennant
Paul Tregaskis
Paul Vandendyck
Paul Welton
Paul Whittington
Paul Wiltshaw
Paula Budsworth
Pauline Harrison
Pawel Warych
Per Sachs
Pete Bauer
Peter Anderson
Peter Brooks
Peter Callan
Peter Charters
Peter Davey
Peter Higgins
Peter Hogg
Peter Hughes
Peter Jones
Peter Manning
Peter Nicholson
Peter Oldman
Peter Simmonds
Peter Turtle
Peter Walmsley
Peter Young
Petr Stepan
Phil Kelly
Philip Cranston
Philip Dunn
Philip English
Philip Gallop
Philip Hibbert
Philip Mccarney
Philip Quane
Phillip Goodeve
Phillip Hunt
Phillip Walters
Phillipa Hewitt
Prakash Mistry
Prakash Patel
Premyslaw Swislocki

ADDITIONAL INFORMATION

The Team continued

Q

Quadeer Ahmed
Quang Pham

R

Rachel Carey
Rachel Willcock
Rachit Vadgama
Rae Williams
Rafal Wojtasik
Raj Surani
Rajiv Vadgama
Ravendra Bishun
Ravikumar Patel
Ray Higgins
Raymond Johnson
Raymond Thompson
Rea Tarran
Rebecca Julier-goodwin
Rebecca Lively
Rebecca Oblein
Rebekah Noakes
Reece Morgan
Reg Anderton
Rhea Kelly
Rhys Hedges
Rhys Kelland
Rhys Sheridan
Ricardo Malcolm
Richard Bickers
Richard Brooks
Richard Carter
Richard Clark
Richard Davies
Richard Edwards
Richard Fagan
Richard Fellows
Richard Harris
Richard Hickman
Richard Hopkin
Richard Lewington
Richard Oates
Richard O'donnell
Richard Oldale
Richard Slack
Richard Small
Richard Sumner
Rickey Singleton
Ricky Bishop
Robbie Perry
Robel Ghebrewold
Robert Adams
Robert Adkins
Robert Bindon
Robert Brewin
Robert Chawner
Robert Clarke
Robert Collins
Robert Exley
Robert Fernandes
Robert Frickey
Robert George
Robert Gilbert
Robert Howes
Robert Howker
Robert Jay
Robert Keohone
Robert King
Robert Kreamer
Robert Kweli
Robert Lynch
Robert Mccormick
Robert Mcgowan
Robert Moss
Robert Myers
Robert Parker
Robert Philpott
Robert Prince
Robert Swift
Robin Moore
Robin Perrin
Robin Thomson
Rodney Meyer
Roger Gridley
Roger Mark Lazenby
Romaldo Rodrigues
Ron Woolgar
Ronald Forester
Rose Kirby
Ross Ashbrook
Ross Copley
Ross Harris
Ross Hunt
Ross Langford
Ross Mcnair
Ross Usher
Roxanne Evans
Roxanne Martin
Roy Peasland
Roy Redgate
Russ Davis
Russell Adgey
Ruth Wells
Ryan Apark
Ryan Curd
Ryan Gomersall
Ryan Jones
Ryan Mason
Ryan Randall
Ryan Sinclair

S

Saleh Idris
Salman Bawani
Sam Francis
Sam Harvey
Sam Newman
Sam Nortey
Sam Orton
Sam Ripley
Samantha Brown
Samantha Hunter
Samantha Leavis
Samantha Mussett
Samantha Sumbler
Sameer Jamdar
Sampson Coomber
Samson Okolosi
Samuel Carey
Samuel Carry
Samuel Heath
Samuel Lenny
Sandip Sahota
Sandra Ramsay
Saqib Ishfaq
Sarah Bacon
Sarah Cassam
Sarah Dobson
Sarah Drake
Sarah Harrup
Sarah Jamieson
Sarah Jordan
Sarah Kite
Sarah Newcomb
Sasek Miah
Sayanthan Nallanathan
Scott Ahmad
Scott Birdseye
Scott Bond
Scott Bunting
Scott Campbell
Scott Currie
Scott Hatton
Scott Meadows
Scott Williams
Sean Baxter
Sean Cahill
Sean Collins
Sean Dare
Sean Gee
Sean Green
Sean Mcintyre
Sean Mclean
Sean Sheehan
Sean Taylor
Sean Weatherby
Sergio Antunes
Shahid Mahmood
Shana Doherty
Shane England
Shane Malone
Shane Till
Shannon Woods
Sharon Beckett
Sharon Buckley
Sharon Simmonds
Shaun Barrett
Shaun Bryan
Shaun Douglas
Shaun Harwood
Shaun Henry
Shaun Mayes
Shaun Pawsey
Shaun Scott
Sheila Myrie
Shelley Carey
Shelley Rutter
Sherise Binns
Shirley Moore
Shohale Ali
Sian Austen
Silvi Atanasova
Silvonne Mclean
Simon Beare
Simon Brookfield
Simon Chappell
Simon Cole
Simon Coombs
Simon Crossland
Simon Frew
Simon Green
Simon Grimmett
Simon Jones
Simon Lasham
Simon Leslie
Simon Lewis
Simon Loach
Simon Morgan
Simon Neal
Simon Palmer
Simon Partridge
Simon Pitt
Simon Roberts
Simon Rule
Simon Witham
Simone Turner
Siobhan Ashman
Sophie Doggart
Sophie Hobbs
Spyros Spyriadis
Stefan White
Steffan Burns
Stephanie Ailwood
Stephanie Nevett
Stephen Adams
Stephen Ainsworth
Stephen Bell
Stephen Benson
Stephen Bloomfield
Stephen Brown

Stephen Buckley
Stephen Carr
Stephen Creasey
Stephen Foote
Stephen France
Stephen Freeman
Stephen Green
Stephen Hall
Stephen Kelly
Stephen Lewis
Stephen Lopes
Stephen Machin
Stephen Marshall
Stephen Morris
Stephen Nicol
Stephen Seymour
Stephen Spurgeon
Stephen Starkie
Stephen Watson
Stephen West
Steve Bristow
Steve Dyer
Steve Gaylor
Steve Larner
Steve Smith
Steve Wood
Steven Buxton
Steven Christie
Steven Darbyshire
Steven Dooley
Steven Godwin
Steven Harris
Steven Higgins
Steven Howells
Steven Jenkins
Steven Kernot
Steven Macarthur
Steven Mackie
Steven Ohara
Steven Pressley
Steven Richards
Steven Shooter
Steven Walker
Steven Whitehead
Stuart Baigent
Stuart Barrett
Stuart Bartlett
Stuart Clarke
Stuart Corlett
Stuart Davey
Stuart Dixon
Stuart Gorry
Stuart Hall
Stuart Munton
Stuart Pemberton
Stuart Rees
Stuart Ross
Stuart Sutherland
Stuart Whitby
Stuart Williams
Sue Bill
Suresh Mistry
Susan Attwell
Susan Black
Susan Henshall
Susan Hulme
Susan Law
Suzanne Kenyon
Suzanne Owen

T

Tami Robinson
Tanveer Dogra
Tanya Sharpe
Tara Pace
Terence Dooley
Terence Downing
Terry Salisbury
Thea de Gallier
Theophilus Walker
Thomas Boulton
Thomas Brien
Thomas Cantle
Thomas Crawford
Thomas Cunningham
Thomas Hudspith
Thomas Moran
Thomas Murray
Thomas Newman
Thomas Otley
Thomas Parkes
Thomas Ryan
Thomas Smith
Thomas Swain
Thomas Treadwell
Thomas Wade
Tiffany Rose
Tim Bird
Tim Ives
Tim Tatlock
Timmy Sandwell
Timothy Bentley
Timothy Boardman
Timothy Coupland
Timothy Hartwick
Timothy Stanhope
Timothy Tuff
Tirup Patel
Toby Collins
Todd Routledge
Tom Evans
Tom Fernley
Tom Lewis
Tom Rice-owen
Tom Wood
Tomas Smith
Tony Dedman
Tony Havvas
Tony Nunn
Tracey Forrest
Tracey Hansard
Tracy Ryan
Tracy Wickenden
Trashgim Syla
Trevor Routley
Trevor Thomas
Tristan Conoley
Tristan Hodge
Tyrell Beckham
Tyrone Gambrell

U

Umair Qureshi
Upendra Dudhaiya
Urmila Bhudia
Usman Ahmed
Uthayakumar Kulasegarampillai

V

Veronica Evett
Victor Omeife
Vikki Moore
Vikram Singh
Vilius Meilus
Vince Barber
Vinod Joshi
Vishaal Nath
Vishal Maratha

W

Walkey Hilaire
Warren Bester
Wayne Farini
Wayne Randall
Wayne Reed
Wayne Wheeler
Wendy Bruce
Wesley Neukermans
Will Bailey
Will Parsons
William Barreda
William Brownsell
William Gunshon
William Lewinton
William Mason
William Mcphee
William Ralls
William Ryves

Y

Yohannes Getachew
Yvonne Archer
Yvonne Burgess

Z

Zaccai Newman
Zachary Gibbs
Zachary Mcdowell
Zack Shine
Zahid Hossain
Zainab Idris
Zlatko Milovanovic
Zoe Atkinson
Zoe Derry
Zoe Mills
Zornitsa Titeva
Zuhail Pervez

ADDITIONAL INFORMATION

Store Locations

TOPPS TILES

LONDON
Chingford
Edmonton
Stamford Hill
Enfield
Waltham Cross
Shoreditch
Southall
Staples Corner
New Southgate
Colindale
Wembley
Hayes
Uxbridge
Golders Green
North Finchley
Ruislip
Westfields
Harrow
Acton
Ilford
Beckton
Mile End Topps
Wapping
Barking Topps
Ilford Seven Kings
Dartford Topps
Charlton
Penge
West Wickham
Beckenham Topps
Orpington
Catford
Eltham
Bromley Common
Mitcham
Forest Hill
Old Kent Road
Feltham
Croydon
Croydon Purley Way
Gunnersbury
Brentford
Highgate
Camden
Vauxhall
Twickenham
Fulham
Wandsworth
East Sheen
Maida Vale
Streatham
Battersea
Brixton
Wimbledon
Dagenham
Romford
Raynes Park
Cheam
St Albans
Hemel Hempstead
Chesham
Borehamwood

MIDLANDS
Workson
Hull
Grimsby
Rotherham
Meadow Hall
Barnsley
Doncaster
Doncaster
Sprotborough
Congleton
Northwich
Lincoln
Newark
Boston
Mansfield
Grantham
Spalding
Lincoln Outer Circle
Chesterfield
Nottingham — Lady Bay
Nottingham
Long Eaton
Derby Osmaston
Derby
Telford
Shrewsbury
Stoke On Trent
Newcastle-Under-Lyme
Leek
Nantwich
Crewe
Cannock
Stoke on Trent — Fenton
Birmingham — Great Barr
Birmingham — Solihull
Wolverhampton
Birmingham — Erdington
Birmingham — Sheldon
West Bromwich
Tamworth
Burton on Trent
Lichfield
Coventry
Coventry — Binley
Stratford upon Avon
Nuneaton Topps
Redditch
Kidderminster
Kings Heath
Rugby
Leicester
Leicester — Grove Park

NORTH
Carlisle
Penrith
Workington
Stockton
Newcastle upon Tyne
Durham
Darlington
York
Harrogate
Scarborough
Wakefield
Pontefract
Gateshead
Bolton
Blackburn
Morecambe
Barrow
Blackpool
Preston
Cleveleys
Chorley
Ormskirk
Blackpool Marton
Chester
Warrington
Birkenhead
Wigan
Anfield
Aintree
St Helens
Manchester — Salford
Manchester — Audenshaw
Cheadle
Manchester — Green Quarter
Manchester — Sale
Manchester — Stockport
Manchester — Failsworth
Manchester — Hyde
Oldham
Manchester — Openshaw
Huddersfield
Macclesfield
Leeds
Birstall
Bradford

SCOTLAND
Glasgow — Hillington
Wishaw
Glasgow — Greenock
Falkirk
Glasgow
Glasgow — Shawfield
Edinburgh — Leith
Aberdeen
Inverness
Dundee
Edinburgh — Sighthill
Aberdeen — Bridge of Don
Edinburgh — Kinnaird
Glasgow — Govan
Dumfries
Ayr

SOUTH
Kings Lynn
Wisbech
Peterborough
Peterborough — Maskew Ave
Stamford
Chelmsford
Colchester
Sudbury
Braintree
Clacton on Sea
Chelmsford Springfield
Harlow
Bishops Stortford
Norwich Mile Cross
Ipswich Martlesham
Ipswich
Norwich
Cambridge
Great Yarmouth
Bury St Edmunds
Thetford
Cromer
Lowestoft
Bristol
Swindon
Hengrove
Frome
Bristol — Clevedon
Chippenham
Gloucester
Cheltenham
Worcester
Evesham
Hereford
Cirencester
Northampton — Gladstone Road
Portsmouth
High Wycombe
Fareham
Isle Of Wight
Basingstoke
Winchester
Reading
Newbury
Southampton — Millbrook
Southampton — Hedgend
Oxford
Oxford Abingdon
Oxford Watlington
Northampton
Banbury
Bicester
Buckingham
Brentwood
Crayford
Erith
Southend
Basildon
Rayleigh
Grays
Sevenoaks
Bexhill
Maidstone
Sittingbourne
Tunbridge Wells
Strood
Broadstairs
Tonbridge
Canterbury
Folkestone
Ashford
Guildford
Farnborough
Farnham
Camberley
Byfleet
Brighton
Gatwick
Horsham
Uckfield
Newhaven
East Molesey
Chichester
Lewes
Bognor Regis
Windsor
Slough
Eastbourne
Bournemouth Topps
Bridgewater
Weston Super Mare
Salisbury
Christchurch
Poole
Bristol — Cribbs Causeway
Yeovil
Exeter
Torquay
Barnstaple
Plymouth
Taunton
Launceston
Exmouth
Bodmin
Truro
Huntingdon
Market Harborough
Kettering
Wellingborough
Milton Keynes
Luton
St Neots
Bedford Elms
Letchworth
Aylesbury
Welwyn Garden City
Stevenage
Watford

WALES
Wrexham
Cardiff — Hadfield Rd
Swansea — Llansamlet
Bridgend
Merthyr Tydfil
Cross Hands
Neath
Cardiff — Newport Rd
Carmarthen
Barry
Haverfordwest
Swansea — Fforest Fach
Flint
Rhyl
Holyhead
Bangor

TILE CLEARING HOUSE

LONDON
Richmond TCH
Orpington TCH
New Southgate TCH
Park Royal TCH

MIDLANDS
Cheltenham TCH
Stoke On Trent TCH
Wolverhampton TCH
Kettering TCH

NORTH
Hull TCH
Stockport TCH
Wigan TCH
Liverpool — Maghull

SOUTH
Harlow TCH
Swindon TCH
Eastbourne TCH
Exeter TCH
Plymouth TCH

Designed and produced
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ADDITIONAL INFORMATION

Store Locations

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

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

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

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

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

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

TOPPS TILES – STORE NUMBERS	
Stores at the beginning of the period	289
New stores opened	22
Sub-total	311
Closures (including brand swaps)	–3
Total	**308**

TILE CLEARING HOUSE – STORE NUMBERS	
Stores at the beginning of the period	31
New stores opened	1
Sub-total	32
Closures (including brand swaps)	–15
Total	**17**

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