GREAT CHOICE.

GREAT PRICES.

GREAT SERVICE.

Topps Tiles Plc

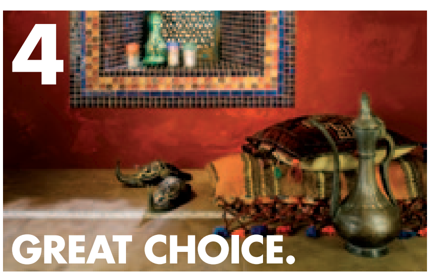
Annual Report and Financial Statements 2010

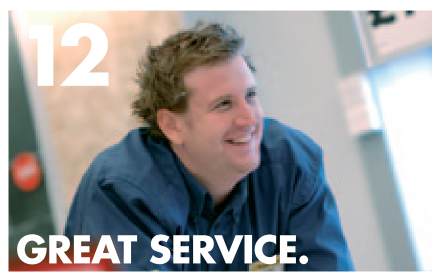
Introduction

"This has been a robust performance from the business during a tough trading period, which demonstrates the effectiveness of our strategy and the strength and resilience of our business model. Through the prudent management of costs and careful control of our business, we have significantly reduced our net debt position during the period and continued to build on our market leading position".

Matthew Williams Chief Executive Officer

Inside this year's report





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April 2010 sees the proud launch of our successful new website.

Review of the business

Governance

Financial Statements

Additional information

The year in brief

Financial Performance

£182.4m
Group revenue
(2009: £178.8m*)

+1.7%
Group like-for-like revenue
(2009: –13.1%*)

58.7%
Group gross margin
(2009: 59.2%*)

£19.9m
Operating profit
(2009: £21.3m*)

£21.1m
Adjusted operating profit**
(2009: £22.8m*)

£16.3m
Adjusted profit before tax***
(2009: £17.5m*)

£12.4m
Profit before tax
(2009: £9.9m*)

5.37p
Basic earnings per share
(2009: 1.00p see note 13)

6.18p
Adjusted basic earnings per share for continuing operations****
(2009: 7.34p see note 13)

1p
Dividend per share
(2009: Nil)

£49.1m
Net debt
(2009: £71.2m)

Please note this report has been prepared for the 53 weeks ended 2 October 2010 and the comparative period has been prepared for the 52 weeks ended 26 September 2009. With the exception of the Group like-for-like revenue measure which is comparable, the reported figures are presented on this basis and are not entirely comparable. The impact of the additional week is to increase revenue by £3.6 million and operating profit by £0.4 million.

Current trading and outlook

The Group is now trading from 312 stores (2009: 309 stores in the UK)

In the first seven weeks of the new financial period, Group revenues increased by 2.9% and increased by 3.2% on a like-for-like basis

* Comparative numbers are presented after restating the statement of financial performance to reflect the Dutch business as a discontinued operation, further information is provided in note 11

** 2010 adjusted operating profit is adjusted for exceptional items being the impairment of plant, property and equipment of £0.8 million (2009: £1.0 million*) and other restructuring and one-off costs of £0.4 million (2009: £0.5 million*)

*** 2010 adjusted profit before tax is adjusted for the effect of exceptional items above plus:

– £2.8 million (non cash) charge relating to the interest rate derivatives the Group has in place (per IAS 39) (2009: £5.8 million)

– Property disposal gain of £0.1 million (2009: loss of £0.3 million)

**** Adjusted for the post tax effect of non-recurring items highlighted above

The Topps' strategy is focused on delivering outstanding value to our customers to ensure they always "return and recommend". This has enabled us to retain our competitive advantage built upon the strong foundations of customer service, store locations, store layout, and product range.

CUSTOMER SERVICE

Customer service remains our number one priority and it is our policy to be honest, helpful and knowledgeable but never pushy. We operate an online e-learning centre which all staff are enrolled to and new courses are issued regularly to ensure our staff have the best product knowledge in the industry. To ensure our customer service always meets these high standards all of our stores are mystery shopped every month and customer response cards indicate that 97.6% of our customers rate our service "good to excellent".

STORE LOCATIONS

We make our store locations as easy for customers to get to as possible. We operate from highly visible locations on or close to busy roads and always with parking facilities. We have over 300 locations across the UK which ensures that the vast majority of customers will have a store near to them.

STORE LAYOUT

Our stores are clearly identified with bright, eye-catching exterior signage bearing the Topps Tiles or Tile Clearing House branding. Our average store size is around 6,250 square feet and is merchandised in a mini warehouse style, including separate areas of the store for wood flooring and natural stone. Stores are designed to be customer friendly with point of sale which aims to give informative product details and clear pricing.

PRODUCT RANGE

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.

Chairman's statement

The management team has maintained a keen focus on delivering profits whilst prudently managing costs, continuing to invest in infrastructure and pursuing targeted growth of the store estate. The business is performing in line with management's expectations and current trading figures also offer cause for confidence.

£16.3m
Adjusted profit before tax***
(2009: £17.5m*)

1p
Dividend per share
(2009: Nil)

In our Interim Management Report we noted that the retail environment had continued to be challenging, particularly for those retailers dependent on discretionary spend. I am encouraged to be able to report that we have seen a return to like-for-like growth across the financial period as a whole.

Our performance for the period has demonstrated the resilience of our business model and the prudence of management's decisions regarding the pursuit of growth, expansion of the store estate and marketing of the business. We have continued to manage the business prudently, focusing on cost control, and we remain firmly cash generative with a secure balance sheet and increasing strength in our trading levels. We are confident that we are well positioned to benefit when market conditions materially improve and consumer confidence returns more strongly.

Financial Results

Total Group revenue for the 53 week period has increased to £182.4 million (2009: £178.8 million* for the 52 week period) with like-for-like revenue for the period showing an increase of 1.7% on last year. Operating profit for the period was £19.9 million (2009: £21.3 million*) giving a profit before tax of £12.4 million (2009: £9.9 million*). Basic earnings per share were 5.37p (2009: 1.00p see note 13).

During the period we have incurred £1.2 million (2009: £1.5 million*) of exceptional charges relating to the closure and relocation of stores in the UK. On an adjusted basis, we have generated an operating profit** of £21.1 million (2009: £22.8 million*) and a profit before tax*** of £16.3 million (2009: £17.5 million*). Adjusted basic earnings per share for continuing operations**** were 6.18p (2009: 7.34p see note 13).

Dividend

The Board has given careful consideration to the resumption of dividend payments. Trading has improved and we are encouraged that we have seen a good level of stability, from which we feel we can plan and move forward. We have also commenced early negotiations with our existing lenders to extend our current banking facilities and, based on those discussions, the Board is now confident that new committed facilities will be in place over the coming months. As a result of progress on these two key issues, the Board feels that the resumption of dividend payments at this time is appropriate. The Board is recommending to shareholders a final dividend of 1p per share, £1.9 million in total. Subject to approval by shareholders at the Annual General Meeting, this will be payable on 31 January 2011 to all shareholders on the register as at 31 December 2010.

People

The Company's staff remain fundamental to the success of the business through their delivery of outstanding customer service. This service ethic sets Topps Tiles apart from its competitors and underpins the robust business model that has proved so valuable in enabling the Group to withstand the economic downturn. I would like to extend the Board's thanks and gratitude once again to everyone in the Group for their continuing efforts and hard work.

Outlook

The management team has maintained a keen focus on delivering profits whilst prudently managing costs, continuing to invest in infrastructure and pursuing targeted growth of the store estate. The business is performing in line with management's expectations and current trading figures also offer cause for confidence.

We are, however, conscious of the demands on our consumers and that the recently announced Government spending reductions may have an impact on the macro economy as we look forward. We remain confident that our business is both well positioned to benefit from further improvements in consumer confidence and is also well protected against further economic pressures.

Barry Bester
Chairman

* ** *** **** As explained on page 1

GREAT CHOICE.

At Topps Tiles we have an unrivalled collection of products with the latest designs sourced from around the world. Our massive range of tiles and wood flooring offers great choice, from the period beauty of natural stone and real wood to the versatility of mosaics and the contemporary feel of glass, we've got 'the look' to suit every style.

Chief Executive's statement

£182.4m
Group revenue
(2009: £178.8m*)

£21.1m
Adjusted operating profit**
(2009: £22.8m*)

We are encouraged by current trading despite the challenging economic outlook and subdued levels of consumer confidence. We are confident that the business will benefit from our growth strategy and our continued focus on delivering outstanding value to our customers.

Topps Tiles continues to be the market leader in its sector with a strong and resilient business model. The economic environment has continued to be challenging for retailers and to mitigate the possible impact on our performance we have maintained our focus on delivering outstanding customer service and providing excellent value high quality products. This focus has ensured that we have delivered a robust set of financial results against what remains a challenging economic backdrop. When combined with the continued prudent management of costs and material reduction in net debt, I feel the business is financially well positioned and we can progress our plans for growth.

UK store development and expansion

Over the last three years our store expansion strategy was realigned to take account of the changes in the economic environment. In the last 12 months we have again returned to store growth and have opened 12 new stores and closed or relocated nine stores, resulting in a net increase of three stores.

The Group is now trading from a total of 312 outlets throughout the UK and in the coming year we have plans in place to increase the size of the business by at least 10 new stores.

In order to facilitate our plans for store expansion and to enable us to integrate our supply chain further, we have commenced construction of a second warehousing facility at our Leicestershire headquarters, at an expected cost of £3 million. This will form a key part of our logistics strategy over the coming years and we anticipate it will be fully operational by April 2011.

Topps Tiles

We have opened a net 10 new stores and now have a total of 275 Topps outlets. This includes eight new openings and five stores we have rebranded from Tile Clearing House (TCH). We have closed seven stores in the period, four of which have been relocated to improved sites.

Our e-commerce business continues to make good progress, now offering the vast majority of our instore offer and, in addition, some internet only products. Customers are able to research projects, browse the ranges and make decisions about projects before final purchase, which can then be completed either online or in-store depending upon customers' preference. This part of the business now represents approximately 1% of our turnover and we anticipate another year of strong growth. We will continue to invest in this important source of growth and expect to see it play an increasingly important role in our overall customer offer.

Tile Clearing House (TCH)

TCH remains focused on trade customers and jobbing builders, operating a "cash and carry" type format. During the period we have refitted and rebranded five stores to the Topps format and closed a further two, a net reduction of seven stores to 37 outlets. Results from rebranded stores demonstrate that a higher level of turnover is now being generated, which we believe is due to stronger branding and an enhanced customer offer available from the Topps format.

Holland

We reported in the Interim Management Report that during the period the Board had taken the decision to withdraw support and funding for its loss-making Dutch subsidiary, as announced on 18 December 2009.

As a consequence of the notification of the withdrawal of support, the local management team took the decision to cease trading and appoint an administrator.

This series of actions, and subsequent removal of the Dutch business from the Group's consolidated financial statements, has resulted in a £1.5 million one-off non cash gain. This gain reflects the final accounting entries relating to the Dutch subsidiary and includes the write down and releases of the remaining balance sheet items, principally creditors, onerous lease provisions, stock and overdraft balances. This has been presented in the consolidated income statement under "discontinued operations", together with the losses from the comparative periods.

* ** As explained on page 1

For more information, please visit:
www.toppstiles.co.uk

Chief Executive's statement continued

+1.7%

Group like-for-like revenue

(2009: –13.1%*)

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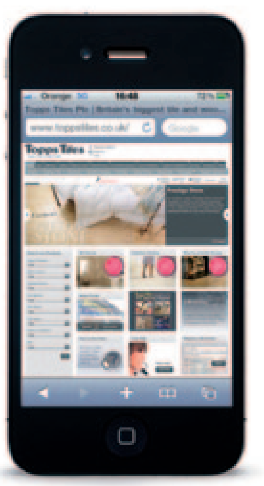
Back on TV – with national weather sponsorship, we cleverly merge some of our most stunning photography with all weather scenes.



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Our online development includes entry into the mobile devices arena... our brochure and store locator is now available as an Iphone App.

Marketing, advertising and sponsorship

For the majority of the financial period we have maintained a more cautious approach to marketing spend and activity levels remain at an historically low level. The marketing we have engaged in has been focused on tactical store based activity rather than external media campaigns. However, during the second half of the period we secured a competitive television weather sponsorship campaign with ITV in London, which was then rolled-out on Granada TV, followed by a national campaign which is running currently. We will continue to focus on tight cost control of our marketing activities but will also continue to review where great value opportunities exist that allow us to focus on promoting our brand.

Our commitment to our 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 priority of being a "good neighbour". We currently sponsor over 310 youth football teams nationwide, providing the teams with 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 £120,000. 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. Alongside this work with the BAMM, Topps Tiles participated in one of London's biggest ever public art events, the Elephant Parade 2010, in support of the charity, Elephant Family. We sponsored a life-sized model baby elephant named Phoolan, which was decorated entirely in mosaic tiles, and was installed outside the Natural History Museum, highlighting the plight of endangered Asian elephants.

Staff development and customer service

We have always said that our staff are fundamental to fulfilling our key objective of delivering excellent customer service. We believe it is imperative to assist the professional development of our staff to deliver this service, and we continue to be rigorous in the recruitment and retention of high calibre employees who are committed to upholding this customer service ethic and contributing to the ongoing success of the business. We encourage staff to learn as they work and have recently completed some significant maintenance and upgrade work to our sophisticated in-store e-learning training system. These improvements have facilitated the recent introduction of vocational qualifications to our customer facing staff, which not only acknowledges their existing skills, but also signposts their future development needs as well as having a key role in succession planning. A successful pilot scheme has led to a national roll-out of a Certificate in Retail – Level 2, accredited by City & Guilds. Plans are already underway for a Level 3 award as well as a Young Apprenticeship Programme.

* As explained on page 1

In July we launched the new Prestige Stone range, our finest quality natural stone collection.

97.6%
Customer satisfaction rating
(2009: 98.8%)

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 as we start to expand the store base and further develop new areas of growth.

Our customer satisfaction levels remain consistently high, with 97.6% of customers recently surveyed expressing levels of satisfaction as "good to excellent" (2009: 98.8%). These levels of satisfaction are driven by the performance of our friendly and knowledgeable staff combined with a product and value service unmatched by our competitors: all of our stores carry a wide range and supply of stock; we offer a loan-a-tile service; a tile cutting service and a buy-back service allowing customers to "sell back" undamaged tiles within 45 days of purchase. We also supply a free "How to" DVD and have a comprehensive selection of helpful "Topps Tips" on our website. In addition, each of our stores has links with accredited traders who can provide customers with a Topps' approved installation service.

Corporate responsibility

The management team at Topps Tiles is committed to a corporate responsibility policy that ensures the Group's business is conducted according to socially responsible, environmentally friendly and ethical policies. We are very proud of the work that we have been involved in and have endeavoured to work responsibly with all of our stakeholders for a number of years.

The areas we have given most focus to are:

- Community and Charity
- Environment
- Our People

Our policy is published on our website at www.toppstiles.co.uk and more detail can be found in this report.

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

The market

Topps has seen its position as the UK's leading tile retailer further strengthen as market share has grown to 25% (2009: 23%) (source: MBD). Market conditions remain tough but despite this we have managed to outperform the market and grow share due to our unwavering focus on offering our customers outstanding value.

Tile consumption in the UK continues to be low in comparison to the rest of Europe (roughly one-third compared to Northern Europe, source MBD), and long-term growth projections, based on increases in housing stock and consumer usage of tiles, remain attractive. There is the potential for over 400 Topps Tiles stores in the UK.

Current trading and outlook

In the first seven weeks of the new financial period, Group revenues increased by 2.9% and increased by 3.2% on a like-for-like basis.

We are encouraged by current trading despite the challenging economic outlook and subdued levels of consumer confidence. We are confident that the business will benefit from our growth strategy and our continued focus on delivering outstanding value to our customers.

Matthew Williams
Chief Executive Officer

GREAT PRICES.

At Topps Tiles we not only offer the biggest choice of tiles and wood flooring, we are committed to offering our customers the best tiles at the best prices. Plus our customers can shop with confidence with our Lowest Price Guarantee. So whether our customers are tiling the smallest of rooms or the whole house we have quality products to suit every budget.

Business review

25%

Group share of the UK tile market

(2009: 23%)

The Board is encouraged by the performance during the period which has demonstrated the effectiveness of our strategy and the strength of our business model. We have continued to deliver operating profit, reduce net debt and generate cash. The Board believes that the business is well placed to take advantage of a contraction in the competition and a return of consumer confidence.

Cautionary statement

This Business Review has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The Business Review should not be relied on by any other party or for any other purpose.

The Business Review 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 a specialist tile and wood flooring retailer with 312 outlets across the UK, and is the country's largest retailer of its kind with a 25% market share. The Group operates two retail brands, Topps Tiles and Tile Clearing House. Topps is the UK's leading branded tile retailer with 275 stores offering wall and floor tiles, natural stone, laminate, solid wood flooring and a comprehensive range of associated products such as under-floor heating, adhesives and grouts.
Tile Clearing House comprises a further 37 stores nationwide focusing on a mini warehouse type format and a "when it's gone it's gone" style customer offer.

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

Key operational objectives:

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

Key financial objectives

- Primary focus on increasing revenues and cash generation, maintaining tight cost control and continued reduction in net debt
- Maximising earnings per share and shareholder returns, including bi-annual review of our dividend policy
- Ongoing supplier tendering and benchmarking of non-stock suppliers
- Managing the Group's exposure to fluctuations in foreign exchange rates
- Maintaining a capital structure which enables an appropriate balance of financial flexibility and capital efficiency

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

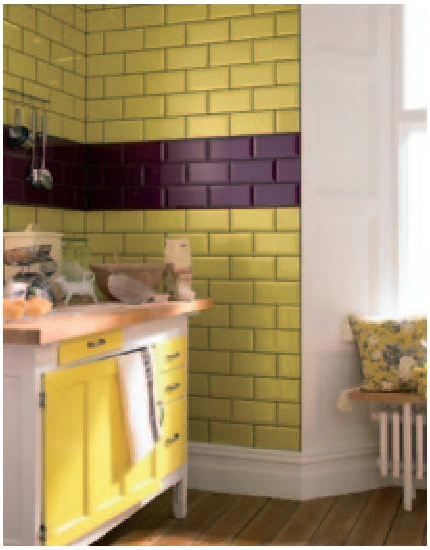
Business review continued

312

Number of stores trading across the Group

(2009: 309*)

Our newly relocated Stratford store, looking smart and ready for business.



Our new Metro glass range works brilliantly in a Retro style kitchen.

Operational review

The Group's focus remains on effective and efficient trading to minimise the impact of the continuing challenging economic cycle. Our primary objectives continue to be centred on optimising returns from the existing estate, careful management of our cost base and improving our financial flexibility. The Board is encouraged by the performance during the period which has demonstrated the effectiveness of our strategy and the strength of our business model. We have continued to deliver operating profit, reduce net debt and generate cash. The Board believes that the business is well placed to take advantage of a contraction in the competition and a return of consumer confidence.

Over the financial period we have maintained our focus on cost control and have only seen increases in costs where we have decided that additional investment was appropriate or business performance has driven higher rewards for staff. Key areas of additional expenditure have been marketing and employee profit share. Further detail of expenditure is provided within the Financial Review.

Key Performance Indicators (KPIs)

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

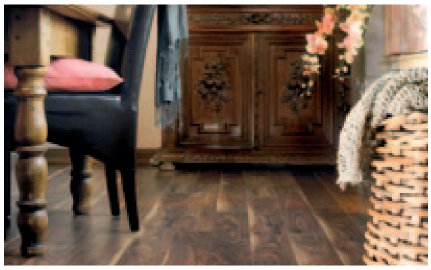
	53 weeks to 2 October 2010	52 weeks to 26 September 2009
Financial KPIs		
Like-for-like sales growth year-on-year %	**1.7%**	–13.1%*
Total sales growth year-on-year %	**2.0%**	–10.3%*
Gross margin %	**58.7%**	59.2%*
Adjusted PBT***	**£16.3m**	£17.5m*
Net debt	**£49.1m**	£71.2m
Stock days	**121**	128
Non-financial KPIs		
Market Share %	**25%**	23%
Customer satisfaction %	**97.6%**	98.8%
Number of stores	**312**	309*

* *** As explained on page 1

* Comparative numbers have been restated to exclude the impact of the Dutch business, which is now a discontinued operation.

We're 'bang on trend' with our new vintage style crackle glaze tiles available in a range of colours.

Our range of glass spashbacks, available in 20 colours, creates the kitchen 'wow' factor.



We continue to offer a great selection of solid, engineered and laminate flooring.

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 anticipated business impact
- Balancing the Group's plans for UK growth against the uncertain economic outlook
- Ensuring that the Group's capital structure remains appropriate and that future funding requirements are accessible

UK economy

The Board is encouraged by the recent financial performance of the Group. The Board monitors the sales per store on a 52 week rolling average basis and this metric has grown at a small but consistent rate since September 2009, equivalent to an annualised growth rate of 1.7%. The UK economy continues to face a number of challenges but based on performance over the financial period the Board is cautiously optimistic that Group revenues will remain stable over the coming year.

Balancing the Group's plans for growth against the uncertain economic outlook

During the financial period the Board has monitored both the Company's performance and the macro economy closely and considered that a return to investing in key areas of growth for the business was appropriate. This has resulted in an overall increase in the number of stores, following a reduction in overall stores number in the financial period to September 2009. The Board anticipates that this growth will continue and are targeting an increase of approximately 10 new stores over the next 12 months; this target remains significantly below the historic levels of openings reflecting the Board's cautious approach. The Board have also decided that investment in other key areas is now appropriate, the biggest of which will be a new warehousing facility at the Group's existing site in Leicester at a cost of approximately £3 million.

Appropriate capital structure

The Group has in place loan facilities of £91.0 million repayable at a rate of £7.5 million per annum. The facility terminates in January 2012 with a final repayment of £83.5 million. The loan facility contains financial covenants which are tested on a bi-annual basis. Based on current trading and the Board's current expectations for the next 12 months the Board expects that the Group will be able to continue to operate within its current financial covenants. The Board has a policy of having at least 12 months of committed facilities available. As a consequence the Board has commenced early discussions with its existing lenders and is confident that new committed facilities will be in place over the coming months.

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 sourcing strategy to enable us to deliver greater value for money whilst maintaining returns and minimise the risk of over reliance on any individual supplier

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

For more information, please visit:
www.toppstiles.co.uk

GREAT SERVICE.

At Topps Tiles we are proud of our reputation for providing excellent customer service, this ethos has been present from the start and runs throughout the core of our business. Nothing is too much trouble for our knowledgeable well trained staff, we help our customers every step of the way, from inspirational ideas for their homes to selecting the right products to produce an excellent quality finish – we even organize the fitting.

Business review continued

58.7%
Group gross margin
(2009: 59.2%*)

We're enhancing our kitchen ranges with a range of delicately patterned tiles perfect for creating the popular shabby-chic look.

Going concern

Based on a detailed review of the risks and uncertainties on page 11, management's latest revised forecasts, a range of sensitised scenarios and the current banking facilities, the Board has a reasonable expectation that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern. The Board, therefore, considers it appropriate to prepare the financial statements on the going concern basis.

Financial review

Profit and loss account

Please note this report has been prepared for the 53 weeks ended 2 October 2010 and the comparative period has been prepared for the 52 weeks ended 26 September 2009. With the exception of the Group like-for-like revenue measure which is comparable, the reported figures are presented on this basis and are not entirely comparable. The impact of the additional week is to increase revenue by £3.6 million and operating profit by £0.4 million.

Gross margin

Overall gross margin was 58.7% compared with 59.2%* in the previous financial period. At the interim stage of this period gross margin was 58.8%, and we have recorded a gross margin of 58.7% in the second half of the period, demonstrating an encouraging level of stability. The environment we operate in continues to be a highly competitive one and we are able to utilise our scale to ensure that we can offer customers outstanding value and also generate increasing levels of returns. Previous financial periods have seen significant reductions in margins due to a weakening of Sterling and subsequent increased cost of sourcing. Whilst this pressure remains we have seen a greater level of stability in sterling exchange rates and this has helped in our forward planning on both purchases and pricing. We will continue to invest margin in a controlled way to drive transactions where we consider it appropriate to do so.

Operating expenses

Total operating costs have increased from £84.5 million* to £87.3 million, an increase of 3.3%. Costs as a percentage of sales were 47.8% compared to 47.3%* last year. When adjusting for exceptional items, detailed at the end of this section, operating costs were £86.1 million (2009: £83.1 million*), equivalent to 47.2% of sales (2009: 46.5% of sales*).

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

- The additional week we have accounted for in this financial period equates to approximately £1.6 million of additional costs
- The average number of UK stores trading during the financial period was 310 (2009: 316), which would imply a 1.9% reduction in store costs, generating approximately £1.3 million of savings
- We have made additional investments in marketing, increasing spend by approximately £1.0 million
- Business performance has generated increased rewards for staff and our employee profit share costs have risen by £1.6 million. This includes the payment of a senior management bonus equating to £0.75 million (2009: £nil)
- The remaining elements of the cost base are broadly flat when compared to the prior year.

During the period we have incurred several charges which we have categorised as exceptional due to their nature. These charges primarily relate to impairments of plant, property and equipment of £0.8 million (2009: £1.0 million*) and other restructuring and one-off costs of £0.4 million (2009: £0.5 million*).

Operating profit

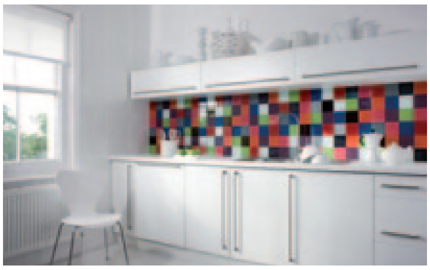
Operating profit for the period was £19.9 million (2009: £21.3 million*).

Operating profit as a percentage of sales was 10.9% (2009: 11.9%*).

When adjusted for the exceptional items detailed on page 1 and above, operating profit was £21.1 million (2009: £22.8 million*).

* As explained on page 1

Business review continued



←
With 20 different colours our massive range of glass tiles is designed to complement any kitchen style.

£49.1m
Net debt
(2009: £71.2m)

↑
Our Prestige Limestone offers affordable luxury and is available in a number of sizes, including mosaic.

Other gains and losses

Other gains and losses include the impact of property disposals. During the period we purchased at auction the freehold on one of our trading stores at a cost of £0.9 million. The property has now subsequently been sold for £1.0 million, with a profit on disposal of £0.1 million.

Financing

The net cash interest charge for the year was £4.8 million (2009: £5.3 million), excluding the impact of revaluations of derivatives instruments. Whilst the interest charge has fallen compared to the prior year we have only seen limited benefit from the very low interest rates that prevail in the market. This is due to a series of interest rate derivatives we have in place which negate the majority of any impact from interest rate movements.

The interest rate derivatives give rise to a "marked to market" revaluation per the requirements of IAS 39 "Financial Instruments; Recognition and Measurement". This revaluation has generated a fair value (non cash) charge of £2.8 million (2009: £5.8 million). Due to the nature of the underlying financial instruments, IAS 39 does not allow hedge accounting to be applied to these losses and hence this charge is being applied direct to the income statement rather than offset against balance sheet reserves.

Net interest cover was 5.1 times (2009: 5.0 times) based on earnings before interest, tax and depreciation, excluding the impact of IAS 39 in finance charges.

Fund raising

During the period the Company completed a successful accelerated bookbuild placing on 24 November 2009, raising gross proceeds of approximately £15.4 million. The placing was undertaken to help provide the Company with both additional financial flexibility in the event of a further downturn in consumer confidence and spending and also additional resources to support the Company's growth strategy as opportunities arise in the market.

Profit before tax

Reported profit before tax is £12.4 million (2009: £9.9 million*).

Group profit before tax margin was 6.8% (2009: 5.5%*).

When adjusted for the exceptional and non-cash items detailed on page 1 the profit before tax is £16.3 million (2009: £17.5 million*).

Tax

The effective rate of Corporation Tax in respect of continuing operations was 31.5% (2009: 32.2%*).

Taking into account discontinued operations the overall effective rate of Corporation Tax was 25.6% (2009: 64.9%).

The underlying UK tax rate was 31.5% (2009: 32.2%).

The effective rate of tax on discontinued operations has been reduced by the recognition in the current period of the benefit of losses incurred by the Dutch trading subsidiary in prior periods.

Earnings per Share

Basic earnings per share were 5.37 pence (2009: 1.00p see note 13).

Diluted earnings per share were 5.26 pence (2009: 0.99p see note 13).

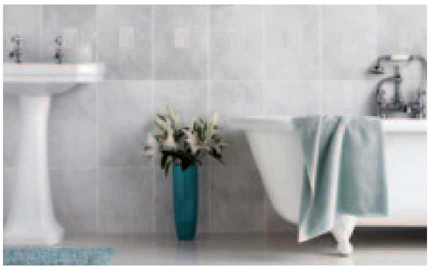
Dividend and dividend policy

The Board has given careful consideration to the resumption of dividend payments. Trading has improved and we are encouraged that we have seen a good level of stability, from which we feel we can plan and move forward. We have also commenced early negotiations with our existing lenders to extend our current banking facilities and, based on those discussions, the Board is now confident that new committed facilities will be in place over the coming months.

As a result of progress on these two key issues the Board feels that the resumption of dividend payments at this time is appropriate. The Board is recommending to shareholders a final dividend of 1p per share. Subject to approval by shareholders at the Annual General Meeting, this will be payable on 31 January 2011 to all shareholders on the register as at 31 December 2010.

* As explained on page 1

Our new Amsterdam range offers timeless, classic tile design with a modern, contemporary twist.

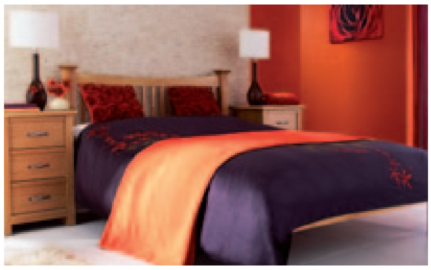


128

Stock at period end as days turnover

(2009: 121)

Split Face mosaics are the latest trend in textured feature walls. Made from pieces of natural stone bonded together, they produce a stunning tactile form.



Balance sheet

Capital expenditure

Capital expenditure in the period amounted to £4.9 million (2009: £2.1 million), an increase of 133%, reflecting the very low level we were at in 2009, the acquisition of a freehold store and the commencement of some cautious steps towards expansion in the current financial period. Capital expenditure includes the cost of eight new openings, five rebrands, four relocations and a small number of refits at a cost of £3.0 million. In addition to this we purchased the freehold on an existing store at a cost of £0.9 million (and subsequently disposed of via a sale and leaseback arrangement). Other capital expenditure amounted to £1.0 million and reflects the ongoing renewal of the estate.

At the period end the Group held six freehold or long leasehold sites including two warehouse and distribution facilities with a total net book value of £13.4 million (2009: £13.5 million).

Stock

Stock at the period end was £24.9 million (2009: £27.4 million) representing 121 days' turnover (2009: 128 days' turnover). We have continued our focus on improving working capital efficiencies and as a result have realised savings across both stores and warehouse.

Capital structure and treasury

Cash and cash equivalents at the period end were £41.9 million (2009: £27.3 million) with repayable borrowings at £91.0 million (2009: £98.5 million). This gives the Group a net debt position of £49.1 million compared to £71.2 million as at 26 September 2009.

Cash flow

Cash generated by operations was £19.8 million, compared to £33.4 million last period. The additional week in the current financial period accounts for approximately £8.0 million of adverse working capital movement due to key payments to suppliers, staff and landlords having been made. An equivalent favourable impact was included in the 2009 cash flow, resulting in underlying cash generation being broadly stable.

Annual General Meeting

The Annual General Meeting for the period to 2 October 2010 will be held on 11 January 2011 at 10.30am at Topps Tiles Plc, Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU.

Matt Williams	**Rob Parker**
Chief Executive Officer	Finance Director

29 November 2010

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GREAT PEOPLE.

Our employees are central to everything we do at Topps Tiles and their wellbeing and engagement is a key focus for us. We aim to engage, reward and communicate with our people and are committed to providing equality of opportunity, training and development.

Corporate Social Responsibility

"Topps Tiles have been the most wonderful supporters of H4H since 2008 with all their 300+ stores motivated to do their bit for "the blokes" – the men and women of the Armed Forces – and we're delighted to be working with them. Their staff have embraced the idea of "doing their bit" and they have raised a great deal of money in dozens of different and imaginative ways".

Bryn Parry, Help for Heroes founder

Operational review

Corporate Social Responsibility ("CSR") is integral to all modern businesses and Topps Tiles is no exception.

Taking responsibility for our impact on society is important to us as a business and we have been developing our CSR agenda since 2004. Over the past six years we have evolved and enhanced our programme to ensure we are an active member of our community, environmentally conscious and ensure our employees feel supported, developed and engaged.

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

- Community and Charity
- Environment
- Our People

The Group is a constituent member of the FTSE4 Good Index of socially responsible UK quoted companies. The FTSE4 Good Index is designed to measure the performance of companies that meet globally recognised corporate responsibility standards and to facilitate investment in those companies where CSR issues are an influencing factor in the investors' decision making process.

We aim to comply with the criteria set by the operators of this index and are actively engaged in the continued developments of our CSR policies to ensure continuing compliance.

Community and Charity

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

In its sixth year, our CSR programme has grown and been enhanced over the years providing the framework and impetus for stores to support local activities that are a "perfect fit" for our Company, values and culture.

Topps in the Community

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

Our mosaic programme is broken down into two key areas:

- The first supports the educational needs of adults and children in our local community. We provide Topps Tiles Community Vouchers for mosaic materials to community artists and neighbourhood craft groups and provide expertise and materials to schools, educational workshops and further education centres. The support of these groups assists in individuals and groups developing their self-esteem, self-ability, educational needs, empowerment, inclusion and communication skills.
- Secondly we sponsor two major competitions designed to showcase the work of novice mosaic artists. *Mega Mosaic Makers*, is a primary school competition organised by The British Association for Modern Mosaic and our own landmark competition for adults learning mosaic in community workshops and further education centres, the Topps Tiles Award for Achievements in Mosaics.

The Elephant Parade 2010 was billed as London's biggest public art event and Topps Tiles teamed up with artists and conservationists to flood London with 275 life-size baby elephants during May, June and July 2010. Focusing on the plight of endangered Asian elephants, (who might cease to exist in the wild by 2050), elephants were installed at key sites from Buckingham Palace through to the Olympic Stadium grounds. Topps Tiles were the proud sponsors of one of these "babies", a female elephant named Phoolan.

→
Sponsored by us... meet Phoolan, our unique lifesize baby elephant completely decorated in mosaics from our own range.

Corporate Social Responsibility continued

300+

The number of football teams we sponsor in the UK

Charity

During 2008 we adopted "Help for Heroes" as our Group charity and have taken their cause to our hearts in a big way. Founded in 2007, the charity funds specialist rehabilitation 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 very strong support from the British public, as it does from the workforce at Topps Tiles.

The last year has seen a phenomenal fundraising drive by our employees with individuals arranging events in their local communities (fun runs, football tournaments) through to a companywide skydive with the Red Devils in May 2010. With over £120,000 already raised for Help for Heroes, Topps are looking forward to continuing with the successful partnership in 2011.

Youth football

Topps is one of the biggest supporters of youth football in the UK and the free kit our stores donate to junior teams is arguably the most famous strip in the grassroots game! Whenever we open a new store we make a point of selecting a local team to support with kit and equipment. This has proved a simple and effective way of reaching out to the community and it's a huge morale booster for local teams and families to secure a 'big name' sponsor like Topps Tiles.

We currently support over 300 teams and are very proud of this association, culminating in major annual tournaments when teams across the country come together at The Walker's Stadium to take their place on the hallowed turf of Leicester City FC.

Environment

There are three primary areas where our business potentially impacts the environment: property, waste and transport. We regularly review our progress in these areas and endeavour to use the most environmentally responsible practices possible.

Property

Energy is a major driver of cost for the business and also forms a significant part of our environmental impact. Energy efficient technology including low energy lighting helps to reduce the impact and we are continuing trials to reduce further our environmental impact by adopting new technology wherever possible.

In liaison with the Carbon Trust, Topps commenced a pilot scheme for the replacement of old inefficient lighting installations with new efficient lighting systems at eleven of our sites. This work was carried out over the summer months and will result in:

- 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 are monitoring these sites and hope to undertake similar lighting replacements at other stores across the country.

Waste

Waste management is an important area for our business and we recycle as much as possible.

With the ongoing need for us to actively manage our store waste in partnership with Biffa our stores now use Dry Mixed Recycling (DMR) meaning that cardboard, paper, newspapers, plastic films and bottles and steel and aluminium cans can all be put into one bin. As well as controlling our costs, we are reducing our carbon footprint by diverting waste away from landfill and reducing the environmental impact of our waste.

Our offices recycle all used paper, the majority of which is shredded and used as packaging. We continue to move our reporting away from being paper based and issue increasing numbers of reports in electronic format.

Transport

Topps continues to invest in fuel efficient Euro 5 low emissions fleet and have manufacturers telematic systems fitted as standard on these vehicles. This all allows monitoring of driving techniques and is followed by safe and efficient driving courses. New fleet is also fitted with engine idle shut down systems and two pedal semi-automatic gearboxes to ensure the vehicle is as fuel efficient as possible. Deliveries to stores continue to be consolidated on to own fleet with an active programme in place around lowering stem mileage and reducing emissions through more compact journeys. The trailer fleet continues to be as light as possible and the latest generation is fitted with a rear steer axle allowing less tyre wear and putting less strain on public roads and areas. Ongoing daily route planning initiatives look for the optimum solution to get our product to stores.

FTSE4Good

↑
Our 2010 Winner of the 'Topps Tiles Award for Achievement in Mosaic' art.

1,641

Number of people employed by the Group

(2009:1,611)

FSC

Supply chain

We source our goods for resale including tiles, natural stone, wooden flooring and adhesives 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 insert a clause into all contracts with suppliers which stipulate our requirements. We have also developed a policy on timber products and have adopted the principles and criteria of the Forest Stewardship Council as our benchmark.

Our People

The wellbeing of our 1,600 plus employees, the quality of their working environment and their engagement with us as a business remains a key focus for Topps Tiles. We aim to reward individuals fairly and are committed to providing equality of opportunity, training and development as well as a safe workplace.

Employee wellbeing

- We provide an employee helpline service for all employees to have a channel for expressing concerns and seeking advice. In the coming year we plan to launch a new employee assistance helpline and store manager health plan.
- Our in-house Health and Safety team maintain regular dialogue with staff and carry out periodic 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.

Communication and engagement

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

- We have a number of existing communication channels including an in house magazine and a weekly stores-bulletin. We also have an intranet 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 seen the first annual management road show in October that took over 400 of our senior managers through our heritage, and plans for the future and followed up with an all employee communication to ensure all employees understand and are part of our plans.
- In the coming year we will launch an employee representative forum ("TEAM Talk") and conduct an employee engagement survey. These initiatives will help to create a framework for employees to participate in a two way engagement process with those that will drive decision making within the Company.
- We are developing our internal employee brand in a drive to attract and retain the talent needed to support our growth plans. We actively encourage our staff to apply for internal vacancies and promotions.
- Rewarding our employees for all their hard work is part of the Topps ethos and every employee has the opportunity to enhance their basic pay through additional performance related incentives. This year has also seen us review and enhance our complete reward programme to ensure we are competitive and recognise all our employees for their hard work and loyalty.

In April 2008 the Group retained its Investors in People award for a further three years.

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

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Directors

Non-Executive Directors

Barry Bester
Non-Executive Chairman (aged 53)

Barry was a founder shareholder and Director of Topps Tiles in 1984.

His principal responsibilities are Group Strategy.

Rt. Hon Michael Jack Privy Councillor
Senior Non-Executive Director (aged 64)

Chairman of Audit Committee

Chairman of Nomination Committee

Member of Remuneration Committee

In business Michael's management experience came from P&G, Marks & 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 Financial Secretary.

Additionally he chaired the EFRA Select Committee. Now he chairs the recently formed Office of Tax Simplification. He joined Topps Tiles Board in 1999.

Alan White
Non-Executive Director (aged 55)

Member of Audit Committee

Member of Nomination Committee

Chairman of the Remuneration Committee

Alan is the Chief Executive of N Brown Group plc, a role he was appointed to in 2002. He qualified as a chartered accountant with Arthur Andersen and has been Group Finance Director for Sharp Electronics (UK), N Brown Group plc and Littlewoods plc. He joined the Board of Topps Tiles in April 2008.

Executive Directors

Matthew Williams
Chief Executive Officer (aged 36)

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.

Nicholas Ounstead
Marketing Director (aged 50)

Health & Safety Committee Chairman

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

Nicholas is also Chairman of the Health and Safety Committee.

Robert Parker
Finance Director (aged 38)

Company Secretary

Secretary of Audit Committee

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

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

Directors and advisors

President
S.K.M. Williams FCA

Directors
B.F.J. Bester
Non-Executive Chairman

M.T.M. Williams
Chief Executive Officer

N.D. Ounstead
Marketing Director

R. Parker ACMA
Finance Director

A. White FCA
Non-Executive Director

The Rt. Hon. J.M. Jack, Privy Counsellor
Non-Executive Director

Secretary
R. Parker ACMA

Registered number
3213782

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Bristol BS99 7JZ

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3 Hardman Street
Manchester M3 3HF

Auditors
Deloitte LLP
Manchester

Bankers
HSBC Bank Plc
56 Queen Street
Cardiff CF10 2PX

Brokers
KBC Peel Hunt Ltd
111 Old Broad Street
London EC2N 1PH

Registrars
Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
West Yorkshire
HD8 0GA

Directors' Report

The Directors present their annual report on the affairs of the Group, together with the Financial Statements and Auditors' Report, for the 53 week period ended 2 October 2010. The Corporate Governance Statement set out on pages 25 to 26 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 2 October 2010 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 3, the CEO's statement on page 5, the Business Review on pages 9 to 15 and the Corporate and Social Responsibility statement on pages 17 to 19, which are incorporated in this report by reference.

The Directors monitor a number of financial and non-financial key performance indicators (KPIs) for the Group and by store and these are detailed on page 10.

Results and dividends
The audited Financial Statements for the 53 week period ended 2 October 2010 are set out on pages 31 to 67. The Group's profit for the period from continuing operations, after taxation, was £8,472,000 (2009: £6,699,000*).

No interim dividend was paid in the period (2009: no interim dividend 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 1p per share, totalling £1,882,023 (2009: no final dividend).

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

B.F.J. Bester	Non-Executive Chairman
M.T.M. Williams	Chief Executive Officer
R. Parker	Finance Director
N.D. Ounstead	Marketing Director
J.M. Jack	Senior Independent Non-Executive Director
A. White	Non-Executive Director

In line with the updated Combined 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 £5,000,000.

The Directors' interests in the shares of the Company are set out on page 29.

Details of Directors' share options are provided in the Directors' Remuneration Report on page 29.

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 23 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 Associated 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 this 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.

* As explained on page 1

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 41 days purchases (2009: 46 days). Trade creditor days is calculated by dividing the trade and other payables creditor by the aggregate of cost of sales and relevant non-stock expenditure, multiplied by 365.

Charitable and political contributions

During the period the Group made charitable donations of £10,000 (2009: £nil) to Help for Heroes. The Group made no political contributions (2009: £nil).

Substantial shareholdings

In addition to the Directors' shareholdings noted on page 29, on 4 November 2010 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
Williams S.K.M. Esq	19,903,950	10.6%
Aberforth	18,617,247	9.9%
AXA Framlington Investment Management	15,299,831	8.1%
Scottish Widows Investment Partnership	11,894,594	6.3%
Blackrock	9,351,078	5.0%
Allianz Global Investors	8,950,000	4.8%
UBS Global Asset Management	5,732,369	3.0%

Disabled employees

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

Employee consultation

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

Financial risk management, objectives and policies

The Group is exposed to certain financial risks, namely interest rate risk, currency risk and credit risk. Information regarding such financial risks is detailed in notes 17, 18, 19, 20 and 21. The Group's risk management policies and procedures are also discussed in the Business Review on pages 9 to 15.

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 5,571,746 (2009: 6,107,702).

As described in note 31, 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. During the period ended 2 October 2010 the Board decided not to implement an employee sharesave scheme due to the high level of participation arising in the period ended 26 September 2009 when the average price was 21.8p.

Details of Directors' share options are provided in the Directors' Remuneration Report on page 29.

Information given to auditors

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 auditors are unaware; and
- The Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

Directors' Report continued

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

Directors' Responsibilities
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 period. Under that law the Directors are required to prepare the Group Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs") and Article 4 of the IAS Regulation.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that the 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 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 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 the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's 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 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.

Directors' responsibility statement
We confirm to the best of our knowledge:

1) 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

2) 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 they face.

After making enquiries, the Directors have formed a judgement, at the time of approving the Financial Statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the Financial Statements.

On behalf of the Board

R. Parker
Director and Company Secretary

29 November 2010

Corporate Governance Statement

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

Statement of compliance with the Code of Best Practice
The Company has complied throughout the period with the Provisions of the Code of Best Practice set out in section 1 of the Code except for provision B.6.1, as the Board does not currently undertake formal appraisal of its own performance and that of its committees on the basis that it considers an informal rolling programme of review appropriate. The Company complies with all other provisions of the Code.

The Board of Directors comprises six members, of whom two are independent Non-Executive Directors and three are Executive Directors, led by the Company's Non-Executive Chairman, Mr Barry Bester. The Senior Independent Non-Executive Director is the Rt. Hon. Michael Jack, who also chairs the Audit Committee and Nomination Committee. Brief biographical details of all Directors are given on page 20. 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 accordance with the Articles of Association, all Directors are subject to re-election at least every third year. In line with the Code all Non-Executive Directors who have served for nine years or more will be subject to annual re-election. As such, the Rt. Hon. Michael Jack will be subject to re-election. In addition, in line with the updated Code, the Board has resolved that all Directors will be subject to annual re-election from the next Annual General Meeting. Directors are elected at the first AGM after appointment. All Non-Executive Directors have written letters of appointment. The Board acknowledges the Code's position with respect to the potential loss of independence for any Non-Executive Director who has served for nine years or more. Although the Rt. Hon. Michael Jack has exceeded this term the Board regards him to be independent and considers his broad based commercial experience and extensive business specific knowledge to be extremely beneficial.

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

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

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

Attendance at Board/Committee meetings
The following table shows the number of Board and Committee meetings held during the 53 week period ended 2 October 2010 and the attendance record of the individual Directors.

	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings	11	2	4	2
B.F.J. Bester	11	2	4	2
M.T.M. Williams	11	2	N/A	N/A
N.D. Ounstead	11	2	N/A	N/A
R. Parker	11	2	N/A	N/A
J.M. Jack	10	2	4	2
A. White	10	2	4	2

Corporate Governance Statement continued

Statement about applying the Principles of Good Governance

The Company has applied the Principles of Good Governance set out in section 1 of the Combined Code by complying with the Code of Best Practice as reported above. Further explanation of how the Principles have been applied in connection with Directors' remuneration is set out in the Remuneration Report.

Audit Committee

The Audit Committee consists of Non-Executive Directors. The Chairman is the Rt. Hon. Michael Jack, the other member is Alan White, who has served on the Committee since his appointment on 1 April 2008.

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

As stated above, part of the role of the Audit Committee is to review the independence of the Company's auditors. The Company's external auditors, Deloitte LLP ("Deloitte"), have provided non-audit services to the Company in the form of tax advice. The Audit Committee is aware that providing audit and non-audit advice could give rise to a potential conflict of interest. The Audit Committee has concluded that the auditors, Deloitte, are independent.

Deloitte has been auditor for the Group since September 2003. The current audit partner's first period as signing partner was the period ended September 2006 and the audit partner rotation plan has been discussed with the Committee. The Audit Committee considers the work of Deloitte and their independence in deciding whether an audit tender is required and, at this current point in time, is satisfied by the work of Deloitte and their independence, and so has proposed their re-appointment.

Nomination Committee

The Nomination Committee is chaired by The Rt. Hon. Michael Jack. The other member is Alan White. Barry Bester joins at the invitation of the Nomination Committee Chairman. 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 Combined Code by establishing a continuous process for identifying, evaluating and managing the significant risks the Group faces. The Board regularly reviews the process, which has been put in place from the start of the period to the date of the approval of this report and which is in accordance with the revised guidance on internal control published in October 2005 (The Turnbull Guidance). The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In compliance with Provision C.2.1 of the Combined 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 appropriate.

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 Combined 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 auditors 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 established a Remuneration Committee ("the Committee"), which is constituted in accordance with the recommendations of the Combined Code. The members of the Committee are the Rt. Hon. Michael Jack, and Alan White, who are both independent Non-Executive Directors. Barry Bester joins by invitation from the Remuneration Committee Chairman. The Committee is chaired by Alan White and has met four times during the financial period to discuss the remuneration of the senior management team and the implementation of the Deferred bonus long-term incentive plan. 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.

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. Basic salaries were reviewed in June 2010 and were increased by 2%, effective from that date, in consideration of general inflation. Executive Directors' contracts of service, which include details of remuneration, will be available for inspection at the Annual General Meeting. Executive Directors' pay and the employment conditions of the Group are taken into account when determining the Directors' remuneration for the financial period. In addition to basic salary, the Executive Directors receive certain benefits-in-kind, principally a car and private medical insurance.

Annual bonus payments

A discretionary annual cash bonus scheme represents the short-term incentive element of the overall remuneration package for Mr. Williams, Mr. Parker and Mr. Ounstead. The Committee establishes the objectives that must be met in the financial period if a cash bonus is to be paid. The maximum bonus achievable in the period was 125% of basic salary based on Group performance against budgeted EBITDA. For the period ending 2 October 2010 it was determined by the Remuneration Committee that a bonus be paid equivalent to 50% of basic salary for Mr. Williams, Mr. Parker and Mr. Ounstead. A proportion of the annual bonus will be deferred under the deferred bonus long-term incentive plan.

Deferred bonus long-term incentive plan

At the AGM in January 2010 a new deferred bonus long-term incentive plan was approved by shareholders. Under this long-term incentive plan 25% of the annual bonus (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.

Details of this award can be found on pages 29 and 62.

The bonus structure will remain the same for the coming financial period.

Pension arrangements

Mr. Bester, Mr. Ounstead and Mr. Parker received contributions into their own personal pension schemes as disclosed in the table on page 29.

Directors' contracts

Executive Directors

It is the Company's policy that Executive Directors are offered permanent contracts of employment. During the financial period the period of notice has been extended from a maximum of six months to a range of six to twelve months. 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.

Remuneration Report continued

Non-Executive Directors

Non-Executive Directors have specific terms of engagement and their remuneration is determined by the Board within the limits set by the Articles of Association and based on independent surveys of fees paid to Non-Executive Directors of similar companies. The basic fee paid to each Non-Executive Director in the period was £34,000 (2009: £34,000). The Senior Independent Non-Executive Director received an additional fee of £2,836 during the period (2009: £1,905). 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. 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. Total remuneration for the period was £115,000 (2009: £114,000) including a contribution to the Company pension scheme of £6,000 (2009: £6,000). The Chairman also participates in the 2009 Save As You Earn Scheme.

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
B.F.J. Bester	27 May 1997	N/A	6 months
J.M. Jack	26 January 1999	N/A	6 months
A. White	1 April 2008	N/A	6 months

Performance graph

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

The FTSE 250 index is considered a relevant comparator as the business has formed a part of this index for the majority of the time period presented.

Total Shareholder Return Charting %

Audited information

Aggregate Directors' remuneration

The total amounts for Directors' remuneration were as follows:

	2010 £'000	2009 £'000
Emoluments	**1,298**	934
Money purchase pension contributions	**26**	24
Share-based payments	**92**	2
	1,416	960

Directors' emoluments

Name of Director	Fees £'000	Basic salary £'000	Vehicle allowance £'000	Benefits in kind £'000	Money purchase pension contributions £'000	Share-based Payments £'000	Bonus £'000	2010 £'000	2009 £'000
M.T.M. Williams	–	**358**	**24**	**1**	–	**44**	**132**	**559**	375
N.D. Ounstead	–	**187**	**19**	**2**	**8**	**23**	**69**	**308**	164
R. Parker	–	**205**	**19**	**1**	**12**	**25**	**101**	**363**	227
Non-Executive Directors									
B.F.J. Bester	–	**107**	–	**2**	**6**	–	–	**115**	114
V.H. Watson (Resigned 13 January 2009)	–	–	–	–	–	–	–	–	10
J.M. Jack	–	**37**	–	–	–	–	–	**37**	36
A. White	**34**	–	–	–	–	–	–	**34**	34
	34	**894**	**62**	**6**	**26**	**92**	**302**	**1,416**	960

Directors' share options

Share options held by the Directors relate to 2009 Save As You Earn scheme, which was eligible to all employees. No options have been exercised in the period.

Name of Director	Scheme	26 Sept 2009	Acquired	2 Oct 2010	Exercise price	Date from which exercisable	Expiry date
B. Bester	Save As You Earn April 2009	26,836	–	26,836	£0.165	1 Apr 2012	1 Oct 2012
N. Ounstead	Save As You Earn April 2009	26,836	–	26,836	£0.165	1 Apr 2012	1 Oct 2012
R. Parker	Save As You Earn April 2009	44,727	–	44,727	£0.165	1 Apr 2014	1 Oct 2014
M. Williams	Save As You Earn April 2009	26,836	–	26,836	£0.165	1 Apr 2012	1 Oct 2012

The market price of the ordinary shares at 1 October 2010 was 60.0p and the range during the year was 46.25p to 96.0p.

Share-based payments and deferred entitlements

Under the terms of the deferred bonus long term incentive plan and based on the Remuneration Committee's assessment of performance of the business during the financial period, the Executive Directors will be awarded a share-based payment together with a matching award of shares at the end of a two-year period subject to the achievement of performance conditions relating to EBITDA earnings growth and continuing employment within the Group. The charge detailed under share-based payments in the Directors' emoluments relates to the initial award, the matching award will be charged to the income statement over the next two years, subject to successful achievement of the performance criteria detailed.

The share-based payment (net of tax) will be awarded in shares at the average price over the financial period of 69.0p.

Directors' interests

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

	2010 Number of ordinary shares of 3.33p each	2009 Number of ordinary shares of 3.33p each
B.F.J. Bester	**22,929,954**	22,076,200
M.T.M. Williams	**600,000**	439,205
N.D. Ounstead	**477,750**	537,750
R. Parker	**72,500**	30,000
J.M. Jack	**44,250**	40,250
A. White	**41,499**	15,000

Mr Bester held 12.2% of shares in the Company at 2 October 2010 (2009: 12.9%).

Approval

This report was approved by the Board of Directors on 29 November 2010 and signed on its behalf by:

Alan White
Chairman of Remuneration Committee

Independent auditors' report

We have audited the group financial statements of Topps Tiles Plc for the 53 week period ended 2 October 2010 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 33. 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 auditors' 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 auditors
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 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 (APB'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.

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 2 October 2010 and of its profit for the 53 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 June 2008 Combined Code specified for our review.

Other matter
We have reported separately on the parent company financial statements of Topps Tiles Plc for the period ended 2 October 2010 and on the information in the directors' Remuneration Report that is described as having been audited.

Sharon Fraser (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Manchester, United Kingdom

29 November 2010

Consolidated statement of financial performance

For the 53 weeks ended 2 October 2010

	Notes	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Group revenue – continuing operations	3 & 4	**182,406**	178,796
Cost of sales		**(75,254)**	(72,929)
Gross profit		**107,152**	105,867
Employee profit sharing		**(6,902)**	(5,258)
Distribution costs		**(64,492)**	(65,405)
Other operating expenses		**(5,452)**	(4,827)
Administrative costs		**(7,044)**	(6,688)
Sales and marketing costs		**(3,385)**	(2,348)
Group operating profit before exceptional items		**21,093**	22,837
Impairment of plant, property and equipment	5	**(815)**	(1,027)
Restructuring and other one-off costs	5	**(401)**	(469)
Group operating profit	4	**19,877**	21,341
Other gains and losses	8	**100**	(349)
Investment revenue	9	**453**	329
Finance costs	9	**(5,275)**	(5,607)
Fair value loss on interest rate derivatives	9	**(2,780)**	(5,833)
Profit before taxation	6	**12,375**	9,881
Taxation	10	**(3,903)**	(3,182)
Profit for the period from continuing operations		**8,472**	6,699
Discontinued operations			
Profit/(loss) for the period from discontinued operations	11	**1,502**	(4,977)
Profit for the period attributable to equity holders of the Company	29	**9,974**	1,722
Earnings per ordinary share (restated)	13		
From continuing operations			
– basic		**4.56p**	3.90p
– diluted		**4.46p**	3.86p
From continuing and discontinued operations			
– basic		**5.37p**	1.00p
– diluted		**5.26p**	0.99p

Consolidated statement of comprehensive income

For the 53 weeks ended 2 October 2010

	Notes	53 weeks ended 2 October 2010 £'000	52 weeks ended 26 September 2009 £'000
Exchange differences on retranslation of foreign operation	28	**–**	88
Profit for the period		**9,974**	1,722
Total comprehensive income for the period attributable to equity holders of the parent Company		**9,974**	1,810

*The figures for the 52 weeks to 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

Consolidated statement of financial position

As at 2 October 2010

	Notes	2010 £'000	2009 £'000
Non-current assets			
Goodwill	14	**245**	245
Property, plant and equipment	15	**31,639**	32,584
		31,884	32,829
Current assets			
Inventories		**24,874**	27,426
Trade and other receivables	17	**7,594**	4,105
Cash and cash equivalents	18	**41,879**	27,270
		74,347	58,801
Total assets		**106,231**	91,630
Current liabilities			
Trade and other payables	19	**(25,588)**	(30,669)
Derivative financial instruments	21	**(10,557)**	(7,826)
Bank loans	20	**(7,250)**	(7,250)
Current tax liabilities		**(6,181)**	(5,527)
		(49,576)	(51,272)
Net current assets		**24,771**	7,529
Non-current liabilities			
Bank loans	20	**(83,466)**	(90,712)
Deferred tax liabilities	22	**(422)**	(1,877)
Provisions for liabilities and charges	22	**(1,297)**	(1,051)
Total liabilities		**(134,761)**	(144,912)
Net liabilities		**(28,530)**	(53,282)
Equity			
Share capital	23	**6,273**	5,703
Share premium	24	**1,001**	1,001
Merger reserve	25	**(399)**	240
Share-based payment reserve	26	**367**	240
Capital redemption reserve	27	**20,359**	20,359
Foreign exchange reserve	28	**–**	336
Retained earnings	29	**(56,131)**	(81,161)
Total deficit attributable to equity holders of the parent		**(28,530)**	(53,282)

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

The financial statements of Topps Tiles Plc, Companies House number 3213782, on pages 31 to 62 were approved by the Board of Directors and authorised for issue on 29 November 2010. They were signed on its behalf by:

M.T.M. Williams
Director

R. Parker
Director

Consolidated statement of changes in equity

For the 53 weeks ended 2 October 2010

	Equity attributable to equity holders of the parent							
	Share capital £'000	**Share premium £'000**	**Merger reserve £'000**	**Share-based payment reserve £'000**	**Capital redemption reserve £'000**	**Foreign exchange reserve £'000**	**Retained earnings £'000**	**Total equity £'000**
Balance at 28 September 2008	5,703	1,001	240	322	20,359	248	(82,986)	(55,113)
Profit for the period	–	–	–	–	–	–	1,722	1,722
Exchange differences on translation of foreign operations	–	–	–	–	–	88	–	88
Total comprehensive income for the period	–	–	–	–	–	88	1,722	1,810
Credit to equity for equity-settled share-based payments	–	–	–	(82)	–	–	–	(82)
Deferred tax on share-based payment transactions	–	–	–	–	–	–	103	103
Balance at 26 September 2009	5,703	1,001	240	240	20,359	336	(81,161)	(53,282)
Profit and total comprehensive income for the period	–	–	–	–	–	–	9,974	9,974
Shares issued in respect of placing and open offer	570	14,296	–	–	–	–	–	14,866
Transfer to retained earnings	–	(14,296)	–	–	–	–	14,296	–
Credit to equity for equity-settled share-based payments	–	–	–	127	–	–	–	127
Deferred tax on share-based payment transactions	–	–	–	–	–	–	121	121
Release of reserve on disposal of subsidiary	–	–	(639)	–	–	(336)	639	(336)
Balance at 2 October 2010	**6,273**	**1,001**	**(399)**	**367**	**20,359**	**–**	**(56,131)**	**(28,530)**

Consolidated cash flow statement

For the 53 weeks ended 2 October 2010

	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Cash flow from operating activities		
Profit for the period	**9,974**	1,722
(Profit)/loss for the period from discontinued operations	**(1,502)**	4,977
Taxation	**3,903**	3,182
Fair value on interest rate derivatives	**2,780**	5,833
Finance costs	**5,275**	5,607
Investment revenue	**(453)**	(329)
Other gains and losses	**(100)**	349
Group operating profit	**19,877**	21,341
Adjustments for:		
Depreciation of property, plant and equipment	**4,040**	4,317
Impairment of property, plant and equipment	**815**	1,027
Restructuring and other one-off costs	**401**	469
Share option charge/(credit)	**127**	(82)
(Increase)/decrease in trade and other receivables	**(3,351)**	3,260
Decrease in inventories	**1,853**	919
(Decrease)/increase in payables	**(3,991)**	2,141
Cash generated by operations	**19,771**	33,392
Interest paid	**(5,308)**	(5,901)
Taxation paid	**(4,112)**	(6,514)
Net cash from operating activities	**10,351**	20,977
Investing activities		
Interest received	**107**	303
Purchase of property, plant and equipment	**(4,292)**	(2,096)
Proceeds on disposal of property, plant and equipment	**949**	1,972
Net cash (used in)/from investment activities	**(3,236)**	179
Financing activities		
Proceeds from issue of share capital	**14,874**	–
Repayment of bank loans	**(7,500)**	(7,500)
Net cash from/(used in) financing activities	**7,374**	(7,500)
Net increase in cash and cash equivalents	**14,489**	13,656
Cash and cash equivalents at beginning of period	**27,270**	13,977
Effect of foreign exchange rate changes	**120**	(363)
Cash and cash equivalents at end of period	**41,879**	27,270

*Comparative numbers are presented after restating the cash flow statement to reflect the Dutch business as a discontinued operation. Further information is provided in note 11.

Notes to the consolidated financial statements

For the 53 week period ended 2 October 2010

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 21. The nature of the Group's operations and its principal activity is set out in the Directors' Report on page 22.

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 2l.

Adoption of new and revised standards

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

Amendments to IFRS 7: Financial Instrument disclosures.
The amendments to IFRS 7 expand the disclosures required in respect of fair value measurements and liquidity risk. The Group has elected not to provide comparative information for these expanded disclosures in the current period in accordance with the transitional reliefs offered in these amendments.

IFRS 8 Operating Segments
IFRS 8 is a disclosure standard that has resulted in a re-designation of the Group's reportable segments (see note 4).

IAS 1 (Revised 2007) Presentation of Financial Statements
This standard relates to the presentation of financial statements and has introduced a number of changes in the format and content of the financial statements.

Specifically, this revised standard requires an entity to present a statement of financial position as at the beginning of the earliest comparative period in a complete set of financial statements i.e. to provide a second comparative for the statement of financial position, when the entity applies an accounting policy retrospectively or makes a retrospective restatement, or when the entity reclassifies items in the financial statements. However, the Directors consider that because the adoption of IFRS 8 has no effect on the statement of financial position, no presentation of a third statement of financial position is required.

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:

IFRS 3 (revised 2008)	Business Combinations
IAS 24 (revised 2009)	Related Party Disclosures
IAS 27 (revised 2008)	Consolidated and Separate Financial Statements
IFRIC 17	Distribution of Non-cash Assets to Owners

Improvements to IFRSs (2009)

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 financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Based on a detailed review of the risks and uncertainties (see page 11 of the Business Review), management's latest revised forecasts, a range of sensitised scenarios and the current banking facilities the Board has, at the time of approving the financial statements, a reasonable expectation that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern.

The Board, therefore, considers it appropriate to prepare the financial statements on the going concern basis.

The principal accounting policies adopted are set out below.

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

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

2 Accounting policies (continued)

c) Financial period
Throughout the financial statements, Directors' Report and Business Review, references to 2010 mean at 2 October 2010 or the 53 weeks then ended; references to 2009 mean at 26 September 2009 or the 52 weeks then ended.

d) Business combinations
The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5: Non Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

e) Goodwill
Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the statement of financial performance and is not subsequently reversed.

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. Sales of goods are recognised when title has passed. Sales returns are provided for based on past experience and deducted from income.

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

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

g) Exceptional items
The Group has identified certain items as exceptional where they relate to one-off costs incurred in the period that they do not expect to be repeated on an annual basis. The principles applied in identifying exceptional costs are applied consistently each period.

2 Accounting policies (continued)

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.

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.

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

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

j) Inventories

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

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

2 Accounting policies (continued)

k) Taxation

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

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. 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

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

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

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

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

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

2 Accounting policies (continued)

m) Leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the 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 year. Differences between contributions payable in the year 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.

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

Financial assets at FVTPL

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

A financial asset is classified as held for trading if:

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

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

Loans and receivables

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

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.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

2 Accounting policies (continued)

q) Financial instruments (continued)

Impairment of financial assets

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 39 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

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

Cash and cash equivalents

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

Derecognition of financial assets

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

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

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

A financial liability is classified as held for trading if:

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

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

2 Accounting policies (continued)

q) Financial instruments (continued)

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.

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.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

2 Accounting policies (continued)

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

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 goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and to discount by a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the balance sheet date is £0.2 million (2009: £0.2 million).

Impairment of property, plant and equipment

During the period, the Group has closed 9 stores in the UK, including some before their lease end dates. 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.

Onerous lease provisions

During the period the Group has continued to review the performance of its store portfolio, which has resulted in two further stores being exited before their lease term has expired (2009: 8 stores). In respect of these leases, and those in relation to stores exited before lease end dates in the prior period 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 historic 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:

	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Topps Tiles	**165,068**	158,643
Tile Clearing House	**17,338**	20,153
Revenue from the sale of goods	**182,406**	178,796
Interest received on interest rate swaps	**–**	79
Interest receivable	**457**	155
Total revenue	**182,863**	179,030

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

*The figures for the 52 weeks to 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

4 Business segments

The Group has adopted IFRS 8 Operating Segments with effect from 27 September 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Executive to allocate resources to the segments and to assess their performance. These segments comprise (a) Topps Tiles retail operations in the UK; (b) TCH retail operations in the UK; and (c) the Topps Floorstore operation in Holland, which was disposed of on 22 December 2009.

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

Revenues from major products and services and information about major customers

Information regarding the above is required by IFRS 8 (paragraphs 32 and 34) but is not given in these notes to the financial statements because of the nature of the Group's business. The Group's principal activity, being a 'specialist tile and woodflooring retailer', is reported in the segments shown below and due to its wide product offering the disclosure of revenues from major products is not appropriate. As the Group's revenue is derived from sales to the general public, it has no reliance on any individual major customer.

Geographical segments

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

Amounts reported for the comparative periods have been re-presented to conform to the requirements of IFRS 8. No inter-segment sales were made during the periods presented.

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

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

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

4 Business segments (continued)

Other information

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

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

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

Restated* 52 weeks ended 26 September 2009	Topps £'000	TCH £'000	Topps Floorstore £'000	Discontinued operations £'000	Consolidated £'000
Revenue	158,643	20,153	7,265	(7,265)	178,796
Segment result	20,207	1,625	(4,977)	4,977	21,832
Central administration costs					(491)
Operating profit					21,341
Other gains and losses					(349)
Investment revenues					329
Finance costs					(5,607)
Fair value loss on interest rate derivatives					(5,833)
Profit before tax					9,881
Tax					(3,182)
					6,699
Loss for the period from discontinued operations					(4,977)
Profit after tax and discontinued operations					1,722

Other information

	Topps £'000	TCH £'000	Topps Floorstore £'000	Head office/ distribution centre £'000	Discontinued operations £'000	Consolidated £'000
Capital additions	1,068	370	–	658	–	2,096
Depreciation*	2,869	689	324	759	(324)	4,317
Impairment losses recognised*	209	610	2,025	208	(2,025)	1,027
Balance sheet						
Segment assets	96,718	7,109	926	–		103,827
Unallocated corporate assets	–	–	–	(13,123)		(13,123)
Consolidated total assets	96,718	7,109	926	(13,123)		90,704
Segment liabilities	(17,690)	(3,059)	(2,800)	–		(20,749)
Unallocated corporate liabilities	–	–	–	(121,363)		(121,363)
Consolidated total liabilities	(17,690)	(3,059)	(2,800)	(121,363)		(142,112)

*The figures for the 52 weeks ended 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

5 Exceptional items

During 2010, 9 stores in the UK (2009: 15) were closed resulting in a write-off of property, plant and equipment totalling £815,000. The Group also reviewed its potential exposure to future lease commitments pertaining to closed stores resulting in a charge of £401,000.

	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Impairment of property, plant and equipment	**815**	1,027
Restructuring and other one-off costs	**401**	469
	1,216	1,496

*The figures for the 52 weeks ended 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

6 Profit before taxation

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

	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Depreciation of property, plant and equipment	**4,040**	4,317
Impairment of property, plant and equipment	**815**	1,027
Restructuring and other one-off costs	**401**	469
Staff costs (see note 7)	**40,152**	40,242
Operating lease rentals	**20,861**	20,730
Write down of inventories recognised as an expense	**2,493**	3,539
Cost of inventories recognised as expense	**73,936**	76,080
Net foreign exchange loss/(gain)	**17**	(25)

*The figures for the 52 weeks ended 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

Analysis of auditors' remuneration is provided below:

	53 weeks ended 2 October 2010 £'000	52 weeks ended 26 September 2009 £'000
Fees payable to the Company's auditors with respect to the Company's annual accounts	**40**	44
Fees payable to the Company's auditors and their associates for other audit services to the Group:		
Audit of the Company's subsidiaries pursuant to legislation	**105**	110
Total audit fees	**145**	154
Tax services:		
compliance services	**47**	57
advisory services	**21**	5
Corporate finance services – business advice	**–**	175
Other services	**–**	47
Total non audit fees	**68**	284
	213	438

A description of the work of the Audit Committee is set out on page 26 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the auditors.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

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:

	53 weeks ended 2 October 2010 Number employed	52 weeks ended 26 September 2009 Number employed
Selling	**1,441**	1,463
Administration	**174**	162
	1,615	1,625

	2010 £'000	2009 £'000
Their aggregate remuneration comprised:		
Wages and salaries (including LTIP, see note 31)	**36,541**	36,570
Social security costs	**3,430**	3,486
Other pension costs (see note 30b)	**181**	186
	40,152	40,242

Details of Directors' emoluments are disclosed on page 29. Employee profit sharing of £6.9 million (2009: £5.3 million) is included in the above and comprises sales commission and bonuses.

8 Other gains/(losses)

Other gains in 2010 relate to the sale of one freehold property and in 2009 the other losses relate to the sale of two freehold properties.

9 Investment revenue, finance costs and fair value loss on interest rate derivatives

	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Investment revenue		
Bank interest receivable and similar income	**457**	234
Fair value (loss)/gain on forward currency contracts	**(4)**	95
	453	329
Finance costs		
Interest on bank loans and overdrafts	**(5,275)**	(5,607)

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 £2,678,000 (2009: £1,016,000). 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 £2,784,000 (2009: £5,738,000), which include fair value losses on interest rate swaps of £2,780,000 (2009: £5,833,000) and fair value losses on forward currency contracts of £4,000 (2009: £95,000 gain). Included within bank interest receivable and similar income is interest receivable on interest rate derivatives of £nil (2009: £79,000).

*The figures for the 52 weeks ended 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

10 Taxation

Continuing operations:	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Current tax – charge for the year	**5,276**	3,441
Current tax – adjustment in respect of previous periods	**(39)**	(275)
Deferred tax – effect of reduction in UK corporation tax rate	**(31)**	–
Deferred tax – credit for year (note 22)	**(1,246)**	102
Deferred tax – adjustment in respect of previous periods (note 22)	**(57)**	(86)
	3,903	3,182

Corporation tax in the UK is calculated at 28% (2009: 28%) of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

Continuing operations:	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Profit before taxation	**12,375**	9,881
Tax at the UK corporation tax rate of 28% (2009: 28%)	**3,465**	2,767
Tax effect of expenses that are not deductible in determining taxable profit	**173**	276
Tax effect of chargeable gain (lower than)/in excess of profit on sale of freehold property	**(28)**	98
Tax effect of tangible fixed assets which do not qualify for capital allowances	**389**	402
Tax effect of adjustment in respect of prior periods	**(96)**	(361)
Tax expense for the period	**3,903**	3,182

Discontinued operations:	53 weeks ended 2 October 2010 £'000	Restated* 52 weeks ended 26 September 2009 £'000
Current tax – adjustment in respect of previous periods	**(480)**	–
	(480)	–

*The figures for the 52 weeks ended 26 September 2009 have been re-presented to take into account the discontinued operations arising as a result of the sale of Dutch operations on 22 December 2009.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

11 Discontinued operations

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

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

	Period ended 22 December 2009 £'000	52 weeks ended 26 September 2009 £'000
Revenue	**1,014**	7,265
Expenses	**(1,329)**	(12,242)
Loss before tax	**(315)**	(4,977)
Attributable tax expense	**–**	–
	(315)	(4,977)
Profit on disposal of discontinued operations	**1,337**	–
	1,022	(4,977)
Attributable tax expense	**480**	–
Net profit/(loss) attributable to discontinued operations (attributable to owners of the Company)	**1,502**	(4,977)

During the year Topps Retail BV received £204,000 (2009: received £208,000) from the Group's net operating cash flows, paid £nil (2009: £175,000) in respect of investing activities and paid £nil (2009: £nil) in respect of financing activities.

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

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

The net liabilities of Topps Retail BV at the date of disposal and for the comparative period are detailed below:

	22 December 2009 £'000	26 September 2009 £'000
Property, plant and equipment	**44**	92
Inventories	**596**	699
Trade receivables	**26**	136
Sundry payables	**(293)**	(517)
Current tax receivables	**7**	27
Trade payables	**(773)**	(1,104)
Onerous lease provision	**(340)**	(436)
Foreign exchange reserve	**(288)**	(336)
Bank overdraft	**(316)**	(112)
	(1,337)	(1,551)
Total consideration	**–**	
Gain on disposal	**1,337**	

12 Dividends

There was no final dividend paid in respect of the 52 week period ended 26 September 2009 (2008: £nil), or interim dividend for the 27 weeks ended 3 April 2010 (2009: £nil).

	2010 £'000	2009 £'000
Proposed final dividend for the 53 week period ended 2 October 2010 of £0.01 (2009: £nil) per share	**1,882**	–

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

13 Earnings per share

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

The number of shares in issue for the prior period has been adjusted retrospectively for the bonus element of the placing and open offer completed in November 2009. Basic and diluted earnings per share have accordingly been restated for the 52 week period ended 26 September 2009 as follows:

	2010 Number of shares	Restated 2009 Number of Shares
Weighted average number of shares		
For basic earnings per share	**185,643,741**	171,836,222
Weighted average number of shares under option	**4,123,000**	1,936,826
For diluted earnings per share	**189,766,741**	173,773,048

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

From continuing and discontinuing operations	**53 weeks ended 2 October 2010 £'000**	52 weeks ended 26 September 2009 £'000
Profit after tax for the period	**9,974**	1,722
Post tax effect of:		
Impairment of property, plant and equipment	**863**	3,052
Interest rate derivative charge	**2,001**	4,199
Property disposal (gain)/ loss	**(100)**	349
Restructuring and other one-off costs	**(977)**	2,005
Adjusted profit after tax for the period	**11,761**	11,327

From continuing operations	**2010 £'000**	2009 £'000
Profit after tax for the period	**8,472**	6,699
Post tax effect of:		
Impairment of property, plant and equipment	**815**	1,027
Interest rate derivative charge	**2,001**	4,199
Property disposal (gain)/ loss	**(100)**	349
Restructuring and other one-off costs	**289**	339
Adjusted profit after tax for the period	**11,477**	12,613

From discontinued operations	**2010**	2009
Basic	**0.81p**	– 2.90p
Diluted	**0.79p**	– 2.86p

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

14 Goodwill

	£'000
Cost and carrying amount at 27 September 2008, 26 September 2009 and 2 October 2010	**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. Goodwill is allocated to the TCH segment.

The recoverable amounts are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates based on the Group's weighted average cost of capital. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. Discounted cash flows are calculated using a post tax rate of 6.0% (2009: 5.8%).

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 based on an estimated growth rate of 2% (2009: 2%). This rate does not exceed the average long-term growth rate for the relevant markets.

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

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

15 Property, plant and equipment

	Land and buildings				
	Freehold £'000	Short leasehold £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost					
At 28 September 2008	16,648	1,842	43,603	343	62,436
Foreign exchange movement	–	–	–	21	21
Additions	618	–	1,438	40	2,096
Disposals	(2,412)	–	(1,322)	(198)	(3,932)
At 26 September 2009	14,854	1,842	43,719	206	60,621
Additions	1,002	–	3,832	19	4,853
Disposals	(850)	–	–	(202)	(1,052)
At 2 October 2010	**15,006**	**1,842**	**47,551**	**23**	**64,422**
Accumulated depreciation and impairment					
At 28 September 2008	1,022	1,145	19,737	146	22,050
Foreign exchange movement	–	–	–	13	13
Charge for the period	246	125	4,227	43	4,641
Provision for impairment	208	–	2,844	–	3,052
Eliminated on disposals	(98)	–	(1,523)	(98)	(1,719)
At 26 September 2009	1,378	1,270	25,285	104	28,037
Charge for the period	213	113	3,702	15	4,043
Provision for impairment	–	66	749	–	815
Eliminated on disposals	–	–	–	(112)	(112)
At 2 October 2010	**1,591**	**1,449**	**29,736**	**7**	**32,783**
Carrying amount					
At 2 October 2010	**13,415**	**393**	**17,815**	**16**	**31,639**
At 26 September 2009	13,476	572	18,434	102	32,584

Freehold land and buildings include £4,104,000 of land (2009: £4,104,000) on which no depreciation has been charged in the current period.

Cumulative finance costs capitalised in the cost of tangible fixed assets amount to £nil (2009: £nil).

The Group has no contractual commitments for the acquisition of property, plant and equipment (2009: £nil).

During the period, the Group has closed 9 stores in the UK, including some before their lease end dates. As the fixtures and fittings within these stores cannot be re-used in other locations within the Group, the carrying value of these assets has been fully provided for in the period, with the associated impairment charge included within other operating expenses.

16 Subsidiaries

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

17 Trade and other receivables

	2010 £'000	2009 £'000
Amounts falling due within one year:		
Amounts receivable for the sale of goods	**420**	655
Other debtors and prepayments		
– Rent and rates	**5,503**	1,438
– Derivative financial instruments	**–**	49
– Other	**1,671**	1,963
	7,594	4,105

The Directors consider that the carrying amount of trade and other receivables at 2 October 2010 and 26 September 2009 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 2 October 2010 amounted to £0.4 million (2009: £0.7 million). These amounts mainly relate to insurance generated sales, Tesco Clubcard Scheme, sundry trade accounts and contracts division generated sales. In relation to these sales, the average credit period taken is 39 days (2009: 65 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, £100,000 (2009: £112,000) is due from Independent Inspections and £104,000 (2009: £nil) 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 £110,000 (2009: £64,000) 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 124 days (2009: 134 days), however this ageing is distorted by one account of £19,000 (2009: £21,000) which is overdue by 202 days (2009: 154 days).

Ageing of past due but not impaired receivables:

	2010 £'000	2009 £'000
60–120 days	**91**	64
121–202 days	**19**	–

The allowance for doubtful debts has been increased to £103,000 by the end of the period (2009: £5,000). 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 £103,000 relating to individually impaired trade receivables (2009: £2,000) which have been placed under liquidation.

18 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) 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:

	2010 £'000	2009 £'000
Sterling	**41,109**	24,196
US dollar	**331**	2,901
Euro	**439**	173
Total cash and cash equivalents	**41,879**	27,270

19 Other financial liabilities

Trade and other payables

	2010 £'000	2009 £'000
Amounts falling due within one year		
Trade payables	**12,489**	14,577
Other payables	**3,406**	8,493
Accruals and deferred income	**9,693**	7,599
	25,588	30,669

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 41 days (2009: 46 days). No interest is charged on these payables.

The Directors consider that the carrying amount of trade payables at 2 October 2010 and 26 September 2009 approximates to their fair value on the basis of discounted cash flow analysis.

20 Bank loans

	2010 £'000	2009 £'000
Bank loans (all sterling)	**90,716**	97,962
The borrowings are repayable as follows:		
On demand or within one year	**7,500**	7,500
In the second year	**7,500**	7,500
In the third to fifth year	**76,000**	83,500
	91,000	98,500
Less: Total unamortised issue costs	**(284)**	(538)
	90,716	97,962
Less: amount due for settlement within 12 months (shown under current liabilities)	**(7,500)**	(7,500)
Issue costs to be amortised within 12 months	**250**	250
Amount due for settlement after 12 months	**83,466**	90,712

The Directors consider that the carrying amount of the bank loan at 2 October 2010 and 26 September 2009 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:

	2010 %	2009 %
Loans	**2.6747**	3.9011

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

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

The Group has one principal bank loan taken out on 1 August 2006, with a balance of £91 million outstanding at the period end. During the period ended 27 September 2008 the banking facilities were renegotiated with a relaxation of both covenants associated with the debt. Repayments commenced on 28 July 2007 and will continue for an extended period until 28 January 2012. There was an arrangement fee of £0.5 million associated with the original loan agreement, which is being amortised over the original period of the facility. An additional fee of £0.5 million was incurred in a prior period on renegotiation of the loan. This fee is being amortised over the remaining period of the facility. The loan is secured by upstream guarantees provided by certain subsidiaries. The LIBOR margin shall be adjusted between 1.5% and 2.75% dependent on the Group's level of compliance with a net debt to EBITDA covenant.

At 2 October 2010, the Group had available £5 million (2009: £5 million) of undrawn committed banking facilities.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

21 Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 20, cash and cash equivalents disclosed in note 18 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in notes 23 to 29.

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	
	2010 £'000	2009 £'000
Financial assets		
Held for trading	**–**	49
Loans and receivables (including cash and cash equivalents)	**49,473**	31,326
Financial liabilities		
Held for trading	**10,557**	7,826
Amortised cost	**116,304**	128,631

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

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

Market risks

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

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

Foreign currency risk management

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

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

	Assets		**Liabilities**	
	2010 £'000	2009 £'000	**2010 £'000**	2009 £'000
Euro	**439**	3,064	**1,129**	4,546
US dollar	**331**	2,923	**329**	344

21 Financial instruments (continued)

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of China and Brazil (US dollar currency) and from various European countries (Euro) as a result of stock 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.

	2010 £'000	2009 £'000
Profit or Loss movement on a 10% strengthening in Sterling against the Euro	**63**	135
Profit or Loss movement on a 10% strengthening in Sterling against the US dollar	**–**	(234)
Profit or Loss movement on a 10% weakening in Sterling against the Euro	**(77)**	(165)
Profit or Loss movement on a 10% weakening in Sterling against the US dollar	**–**	287

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:

	2010 £'000	2009 £'000
Forward foreign exchange contracts	**4,356**	512

These arrangements are designed to address significant exchange exposures for the first half of 2011 and are renewed on a revolving basis as required.

At 2 October 2010 the fair value of the Group's currency derivatives is a £22,000 asset (2009: an asset of £30,000). These amounts are based on market value of equivalent instruments at the balance sheet date.

Losses of £4,000 are included in operating profit in the year (2009: gains of £95,000).

Interest rate risk management

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

Interest rate sensitivity analysis

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

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

	50 basis points increase in interest rates		**50 basis points decrease in interest rates**	
	2010 £'000	2009 £'000	**2010 £'000**	2009 £'000
Profit or (loss)	**1,443**	1,248	**(1,385)**	(1,219)

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

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

21 Financial instruments (continued)

Interest rate derivatives

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

The Group's interest rate derivatives comprise;

- 5 year interest rate cap with a notional value of £20 million with interest capped at 6%
- 5 year interest rate swap with a notional value of £20 million paying interest at a fixed rate of 5.63%
- 10 year cancellable collar with a notional value of £60 million with a cap of 5.6% and a floor of 4.49%, the interest rate within this range is LIBOR less 0.4%. 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 2 October 2010 is estimated at £10,557,000 (2009: £7,777,000). Amounts of £2,780,000 have been charged to the statement of financial performance in the period (2009: £5,833,000).

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 17.

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

Liquidity risk management

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

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows (and on the assumption that the variable interest rate remains constant at the latest fixing level of 2.74665% (2009: 2.59450%)) 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.

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

2009	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 Years £'000	5+ Years £'000	Total £'000
Non-interest bearing	30,669	–	–	–	–	30,669
Variable interest rate instruments	–	722	9,564	94,204	–	104,490

The Group has access to financing facilities, of which the total unused amount is £5 million at the balance sheet date (2009: £5 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

21 Financial instruments (continued)

Liquidity and interest risk tables (continued)

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

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

2009	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	–	(702)	(1,926)	(4,776)	(2,331)	(9,735)
Foreign exchange forward contracts payments	(512)	–	–	–	–	(512)
Foreign exchange forward contracts receipts	548	–	–	–	–	548

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).

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

22 Provisions for liabilities and charges

	Onerous lease provision £000	Dilapidations provision £000	Total £000
Less than one year:			
At 28 September 2008	–	–	–
Additional provision in the period	873	178	1,051
At 26 September 2009	873	178	1,051
Additional provision in the period	118	372	490
Utilisation: continuing	(15)	(20)	(35)
Utilisation: discontinued	(96)	–	(96)
Release of provision in the period	(340)	(56)	(396)
At 2 October 2010	**540**	**474**	**1,014**
Greater than one year:			
At 28 September 2008 and 26 September 2009	–	–	–
Additional provision in the period	283	–	283
At 2 October 2010	**283**	**–**	**283**
Total provisions at 2 October 2010	**823**	**474**	**1,297**

The onerous lease provision relates to estimated future unavoidable lease costs in respect of closed and non-trading stores. The provision is expected to be utilised over the following two financial periods. The dilapidations provision represents management's best estimate of the Group's liability under its property lease arrangements based on past experience.

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	Tax losses £'000	Share-based payments £'000	Exchange rate differences £'000	Interest rate hedging £'000	Rent free £'000	Total £'000
At 28 September 2008	3,054	(215)	(133)	4	(545)	(201)	1,964
(Credit)/charge to income	(633)	215	23	5	282	124	16
Credit to Equity	–	–	(103)	–	–	–	(103)
At 27 September 2009	2,421	–	(213)	9	(263)	(77)	1,877
(Credit)/charge to income	(86)	–	(64)	(1)	(1,174)	22	(1,303)
Impact of rate change	(138)	–	2	–	106	(1)	(31)
Credit to equity	–	–	(121)	–	–	–	(121)
At 2 October 2010	**2,197**	**–**	**(396)**	**8**	**(1,331)**	**(56)**	**422**

The Finance Bill 2010 received Royal ascent on 27 July 2010 and included a reduction in the main rate of corporation tax for the financial year beginning 1 April 2011 from 28% to 27%. The Government has also indicated that it intends to enact future reductions in the main corporation tax rate of 1% each year, down to 24% by 1 April 2014. The future 1% main corporation tax rate reductions are expected to have a similar impact on our financial statements as above, however the actual impact will be dependent on our deferred tax position at that time.

23 Called-up share capital

	2010 £'000	2009 £'000
Authorised 240,000,000 (2009: 240,000,000) ordinary shares of 3.33p each (2009: 3.33p)	**8,000**	8,000
Authorised 37,000,000 (2009: 37,000,000) redeemable B shares of £0.54 each	**19,980**	19,980
Authorised 124,890,948 (2009: 124,890,948) irredeemable C shares of £0.001 each	**125**	125
	28,105	28,105
Issued and fully-paid 188,202,323 (2009: 171,093,021) ordinary shares of 3.33p each (2009: 3.33p)	**6,273**	5,703
Total	**6,273**	5,703

The Group issued 17,109,302 shares as part of a placing and open offer on 27 November 2009. The issue increased the number of shares from 171,093,021 to 188,202,323. Under the arrangements of the placing, the Company issued shares in exchange for shares in Tail Finance Jersey Limited. No share premium is ultimately recorded in the Company's financial statements through the operation of the merger relief provisions of the Companies Act 2006. The subsequent redemption of these shares gave rise to distributable profits of £14.3 million which have been transferred to retained earnings.

During the period the Group issued no (2009: 515) ordinary shares with a nominal value of £nil (2009: £17) under share option schemes for an aggregate cash consideration of £nil (2009: £330).

24 Share premium

	2010 £'000	2009 £'000
At start of period	**1,001**	1,001
Shares issued in respect of placing and open offer	**14,296**	–
Transfer to retained earnings	**(14,296)**	–
At end of period	**1,001**	1,001

25 Merger reserve

	2010 £'000	2009 £'000
At start of period	**240**	240
Release of reserve on disposal of subsidiary	**(639)**	–
At end of period	**(399)**	240

26 Share-based payment reserve

	2010 £'000	2009 £'000
At start of period	**240**	322
Charge/(credit) to equity for equity-settled share-based payments	**127**	(82)
At end of period	**367**	240

27 Capital redemption reserve

	2010 £'000	2009 £'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 Foreign exchange reserve

	2010 £'000	2009 £'000
At start of period	**336**	248
Exchange differences on consolidation of overseas operations	**–**	88
Release of reserve on disposal of subsidiary	**(336)**	–
At end of period	**–**	336

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

29 Retained earnings

	£'000
At 28 September 2008	(82,986)
Deferred tax on sharesave scheme taken directly to equity	103
Net profit for the period	1,722
At 27 September 2009	(81,161)
Release from Merger reserve on disposal of subsidiary	639
Transfer from the share premium account	14,296
Deferred tax on sharesave scheme taken directly to equity	121
Net profit for the period	9,974
At 2 October 2010	**(56,131)**

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

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

The subsequent redemption of these shares gave rise to distributable profits of £14.3 million which have been transferred to retained earnings.

30 Financial commitments

a) Capital commitments

At the end of the period there were no capital commitments contracted (2009: £nil).

b) Pension arrangements

The Group operates separate defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £181,000 (2009: £186,000).

c) Lease commitments

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

Minimum lease payments under operating leases recognised as an expense for the period were £20,861,000 which includes property service charges of £649,000 (2009: £20,730,000 including property service charges of £542,000).

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:

	2010		2009	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
– within 1 year	**17,908**	**1,014**	17,124	881
– within 2–5 years	**58,796**	**1,922**	57,497	1,478
– after 5 years	**63,027**	**80**	60,396	193
	139,731	**3,016**	135,017	2,552

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 5 years (2009: same).

31 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:

	Option price	Exercisable period	No. of options outstanding 2010	2009
26 January 2001	**54p**	**7 Years**	**78,020**	81,520
12 February 2002	**54p**	**7 Years**	**40,779**	40,779
			118,799	122,299

Movements in share options are summarised as follows:

	2010 number of share options	2010 weighted average exercise price £	2009 number of share options	2009 weighted average exercise price £
Outstanding at beginning of period	**122,299**	**0.54**	149,299	0.54
Expired during the period	**(3,500)**	**0.54**	(27,000)	0.54
Outstanding at end of period	**118,799**	**0.54**	122,299	0.54
Exercisable at end of period	**118,799**	**0.54**	122,299	0.54

The options outstanding at 2 October 2010 had a weighted averaged exercise price of 54p (2009: 54p) and a weighted average remaining contractual life of one year (2009: two years).

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:

	2010 number of share options	2010 weighted average exercise price	2009 number of share options	2009 weighted average exercise price
Outstanding at beginning of period	**5,974,783**	**19p**	717,635	135p
Issued during the period	**–**	**–**	5,963,943	17p
Expired during the period	**–**	**–**	(706,795)	135p
Exercised during the period	**(521,836)**	**19p**	–	–
Outstanding at end of period	**5,452,947**	**19p**	5,974,783	19p
Exercisable at end of period	**5,452,947**	**19p**	5,974,783	19p

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

		2010	2009
Weighted average share price	– pence	**22.6**	24.3
Weighted average exercise price	– pence	**18.1**	19.4
Expected volatility	– %	**32.4**	114.6
Expected life	– years	**3 or 5**	3 or 5
Risk – free rate of interest	– %	**0.8**	2.9
Dividend Yield	– %	**5.04**	4.7

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2009/10 financial period (2009: 2008/09 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.

Notes to the consolidated financial statements continued

For the 53 week period ended 2 October 2010

31 Share-based payments (continued)

Deferred bonus long-term incentive plan

At the AGM in January 2010 a new deferred bonus long-term incentive plan (LTIP) was approved by shareholders. Under this long term incentive plan a proportion of the annual bonus is deferred in the form of shares for a two year period with a matching share award that vests at the end of two years subject to the achievement of performance conditions. 25% of the annual bonus has been deferred into shares, on a net basis, 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 ending 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 will be deferred under the deferred bonus long term incentive plan. The total number of shares due to be awarded is 129,489, the fair value of these deferred shares as at 2 October 2010 was £79,000.

The total number of matching shares that are expected to be awarded, subject to fulfilment of the performance conditions is 242,144.

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

		2010	2009
Weighted average share price	– pence	**60.0**	–
Weighted average exercise price	– pence	**–**	–
Expected volatility	– %	**81.6**	–
Expected life	– years	**2**	–
Risk – free rate of interest	– %	**0.8**	–
Dividend Yield	– %	**0**	–

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2008/09 and 2009/10 financial periods (2009: 2008/09 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 £127,000 (2009: £82,000 income) relating to share-based payments.

32 Related party transactions

S.K.M. Williams has the non-statutory role of President, advising on property matters and is a related party by virtue of his 10.6% shareholding (19,903,950 ordinary shares) in the Group's issued share capital (2009: 11.4% shareholding of 19,503,950 ordinary shares).

At 2 October 2010 S.K.M. Williams was the landlord of three properties leased to Multi Tile Limited, a trading subsidiary of Topps Tiles Plc, for £134,000 (2009: £84,000) per annum.

No amounts were outstanding at 2 October 2010 (2009: £nil).

The lease agreements on both properties are operated on commercial arms length terms. His salary for the year in his role as President was £41,000 (2009: £40,000).

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The remuneration of the Board of Directors, who are considered key management personnel of the Group was £1.4 million (2009: £1.0 million). Further information about the remuneration of the individual Directors is provided in the Remuneration Report on pages 27 to 29.

33 Events after the balance sheet date

On 19 October 2010 the Group issued a letter of intent to Herbert Baggley Construction Limited detailing its intention to enter into a formal contract for the construction of a new warehouse facility at Grove Park. The cost of construction is estimated to be £3 million.

Independent auditors' report to the members of Topps Tiles Plc

We have audited the parent company financial statements of Topps Tiles Plc for the period ended 2 October 2010 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibility 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 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 (APB'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.

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 2 October 2010;
- 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 2 October 2010.

Sharon Fraser (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Manchester, United Kingdom

29 November 2010

Company balance sheet

as at 2 October 2010

	Notes	2010 £'000	2009 £'000
Fixed assets			
Investments	3	**2,801**	2,763
		2,801	2,763
Current assets			
Debtors due within one year	4	**630**	1,710
Debtors due after one year	4	**221,200**	221,200
Cash at bank and in hand		**29,139**	12,655
		250,969	235,565
Creditors: Amounts falling due within one year	5	**(1,390)**	(1,161)
Net current assets		**249,579**	234,404
Net assets		**252,380**	237,167
Capital and reserves			
Called-up share capital	6	**6,273**	5,703
Share premium	7	**1,001**	1,001
Share-based payment reserve	7	**323**	240
Merger reserve	7	**–**	639
Capital redemption reserve	7	**20,359**	20,359
Other reserve	7	**6,200**	6,200
Profit and loss account	7	**218,224**	203,025
Equity shareholders' funds		**252,380**	237,167

The financial statements of Topps Tiles Plc, Companies House number 3213782, were approved by the Board of Directors on 29 November 2010 and signed on its behalf by:

M.T.M. Williams
Director

R. Parker
Director

Notes to the Company financial statements

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 (see page 11 of the Business Review), management's latest revised forecasts, a range of sensitised scenarios and the current banking facilities the Board has at the time of approving the financial statements, a reasonable expectation that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern.

The Board, therefore, considers it appropriate to prepare the financial statements on the going concern basis.

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

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 subtracted from the cost of investment in those subsidiaries whose employees receive the benefit of the share options is £38,000 (2009: charge of £82,000). In respect of the deferred long-term bonus incentive plan, the share-based payment charge within the Company is £45,000 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 profit for the financial period ended 2 October 2010 of £264,000 (2009: £4,432,000 loss).

The auditors' remuneration for services to the Company was £40,000 for audit related work (2009: £44,000 for audit related work). Fees relating to non-audit work totalled £nil (2009: £222,000), see note 6 to the Group financial statements for further details.

The Company had no other employees other than the Directors (2009: same), whose remuneration is detailed on page 29.

3 Fixed asset investments

	Shares £'000
At 27 September 2009	2,763
Movement in share options granted to employees	38
At 2 October 2010	**2,801**

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

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

*held directly by Topps Tiles Plc.

The investments are represented by ordinary shares.

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

Notes to the Company financial statements continued

4 Debtors

	2010 £'000	2009 £'000
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	**–**	1,677
Other debtors	**12**	–
Prepayments and accrued income	**618**	33
	630	1,710
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

	2010 £'000	2009 £'000
Trade and other creditors	**12**	61
Amounts owed to subsidiary undertakings	**253**	240
Accruals and deferred income	**1,125**	860
	1,390	1,161

6 Called up Share Capital

	2010 £'000	2009 £'000
Authorised 240,000,000 (2009: 240,000,000) ordinary shares of 3.33p each (2009: 3.33p)	**8,000**	8,000
Authorised 37,000,000 (2009: 37,000,000) redeemable B shares of £0.54 each	**19,980**	19,980
Authorised 124,890,948 (2009: 124,890,948) irredeemable C shares of £0.001 each	**125**	125
	28,105	28,105
Issued and fully-paid 188,202,323 (2009: 171,093,021) ordinary shares of 3.33p each (2009: 3.33p)	**6,273**	5,703

During the period the Group allotted no (2009: 515) ordinary shares with a nominal value of £nil (2009: £17) under share option schemes for an aggregate cash consideration of £nil (2009: £330). The Group issued 17,109,302 shares as part of a placing and open offer (2009: nil). The issue increased the number of shares from 171,093,021 to 188,202,323.

7 Reserves

Company	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Merger reserve £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 27 September 2009	5,703	1,001	240	639	20,359	6,200	203,025	237,167
Profit for the period	–	–	–	–	–	–	264	264
Shares issued in respect of placing and open offer	570	14,296	–	–	–	–	–	14,866
Transfer to retained earnings	–	(14,296)	–	–	–	–	14,296	–
Credit to equity for equity-settled share based payments	–	–	83	–	–	–	–	83
Release of reserve on disposal of subsidiary	–	–	–	(639)	–	–	639	–
At 2 October 2010	**6,273**	**1,001**	**323**	**–**	**20,359**	**6,200**	**218,224**	**252,380**

At 2 October 2010, the Directors consider the other reserve of £6,200,000 to remain non distributable.

The Directors consider £203,106,000 of profit and loss account reserves not to be distributable at 2 October 2010. This arose on an unrealised gain on the intragroup disposal of subsidiary companies.

Five year record

Unaudited	52 weeks ended 30 September 2006 £'000	52 weeks ended 29 September 2007 £'000	52 weeks ended 27 September 2008 £'000	52 weeks ended 26 September 2009 £'000	**53 weeks ended 2 October 2010 £'000**
Group revenue	180,180	207,898	208,084	186,061	**183,420**
Group operating profit	38,869	44,342	34,620	16,425	**20,899**
Profit before taxation	39,064	37,833	27,723	4,904	**13,397**
Shareholders' deficit	(63,600)	(54,824)	(55,113)	(53,282)	**(28,530)**
Basic earnings per share	12.80p	15.09p	9.56p	1.00p	**5.37p**
Dividend per share	10.40p	10.70p	3.00p	–	**–**
Dividend cover	1.41	1.41	3.19	–	**–**
Average number of employees	1,582	1,722	1,743	1,625	**1,615**
Share price (period end)	259.0p	196.8p	58.25p	94.41p	**60.0p**

All figures quoted are inclusive of continued and discontinued operations.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Topps Tiles Plc (the "Company") will be held at Topps Tiles Plc, Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU on 11 January 2011 at 10.30am for the following purposes:

Ordinary business

1. To receive and adopt the Company's Annual Report and Financial Statements for the financial period ended 2 October 2010 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 1p per Ordinary Share on the Ordinary Shares for the period.
3. To re-elect Barry Bester as a Director of the Company.
4. To re-elect Matthew Williams as a Director of the Company.
5. To re-elect Robert Parker as a Director of the Company.
6. To re-elect Nicholas Ounstead as a Director of the Company.
7. To re-elect The Rt. Hon. Michael Jack as a Director of the Company.
8. To re-elect Alan White 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 2 October 2010 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 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 £2,086,957 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 £313,357 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 28,042,146 (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 Plc Share Incentive Plan ("the SIP"), the principal features of which are summarised in the Explanatory notes to the Notice of Annual General Meeting (a draft of which is produced to the meeting and initialled by the Chairman for the purposes of identification), be and are approved and adopted and the Directors of the Company be and are authorised to make such amendments to the SIP as may be necessary to obtain formal approval from HMRC of the SIP and to do all things necessary or expedient to carry the SIP into effect; and

(b) the Directors be and are authorised to adopt equivalent plans for the employees of the Company and its subsidiaries in overseas jurisdictions, subject to such modifications as the Directors shall consider appropriate to take into account local tax, exchange control, securities law and other regulatory requirements, provided that the shares made available under such equivalent plans are treated as counting towards the limits on participation in the SIP.

(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 9 January 2011 (being 48 hours before the time for holding the meeting) or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after 6:00pm on 9 January 2011 or, in the event that the meeting is adjourned, after 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member is entitled to appoint one or more persons as proxies to exercise all or any of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A form of proxy is enclosed and notes for completion can be found on the form and should be read carefully before it is completed. To be valid, the form of proxy must be completed, signed and sent to the offices of the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, so as to arrive no later than 10:30am on 9 January 2011 (or, in the event that the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).
3. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. You may photocopy the enclosed proxy form, indicating clearly on each proxy form the name of the proxy you wish to appoint and the number of shares in relation to which the proxy is appointed. All forms must be signed and should be returned together in the same envelope. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. The right of a member under section 324 of the Companies Act 2006 ("2006 Act") to appoint a proxy does not apply to a person nominated to enjoy information rights under section 146 of the 2006 Act.
4. The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes.
5. As at the close of business on the date of this notice, the Company's issued share capital comprised 188,202,323 Ordinary Shares of 3⅓p each. Each ordinary share carries the right to one vote at a general meeting of the Company.
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).

Notice of Annual General Meeting continued

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; and

    (c) the proposed rules of the SIP to be approved pursuant to Resolution 15.
15. Information regarding the AGM, including the informants required by section 311A of the 2006 Act, is available from the Company's website – www.toppstiles.co.uk.

R. Parker
Company Secretary
29 November 2010

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

Registered No:
3213782

Explanatory notes to the Notice of Annual General Meeting

THE ANNUAL GENERAL MEETING of the Company will be held at the Company's premises at Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU on 11 January 2011 at 10.30am.

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

Ordinary business

Resolution 2

Declaration of Final Dividend

A final dividend of 1p per Ordinary Share is recommended by the Directors for payment to shareholders on the register of members of the Company at the close of business on 31 December 2010. Subject to approval by the Ordinary Shareholders at the Annual General Meeting, the dividend will be paid on 31 January 2011. No interim dividend was declared which means the total dividend level will be 1p per Ordinary Share for the 52 weeks prior to 2 October 2010.

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. Nicholas Ounstead and Matthew Williams are the Directors retiring by rotation this year and they offer themselves for re-election. Although not required by the Company's articles, each of the remaining Directors will, in the interests of good corporate governance, retire voluntarily and offer himself for re-election. Brief biographical details about all the Directors appear on page 20 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 £2,086,957 out of the Company's unissued share capital representing approximately 33.3% of the Company's current issued share capital (excluding shares held in treasury). The Company currently holds nil Ordinary Shares in treasury. The Directors have no current intention of exercising the authority contained in Resolution 11 to allot further shares. The authority shall expire immediately following the Annual General Meeting next following the resolution or, if earlier, 15 months following the resolution being passed.

Relevant Securities means:

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

Resolution 12

Disapplication of statutory rights of pre-emption

This proposed resolution seeks to obtain power under section 571 of the 2006 Act to enable the Directors to allot, for cash, shares with an aggregate nominal value of £313,357 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.

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 2012 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 30 November 2010, there were options to subscribe for 3,571,746 equity shares outstanding under various schemes representing approximately 2.96% 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 3.48% 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

Share Incentive Plan

Resolution 15 proposes that the Topps Tiles Plc Share Incentive plan (the "SIP") be adopted. A copy of the draft rules and trust deed is available for inspection at the Company's registered office. The Resolution also asks shareholders to authorise the Directors to make such amendments to the draft SIP documentation as may be necessary to obtain formal approval of the SIP from HMRC. This summary outlines the main features of the SIP. A more detailed summary of the principal features of the SIP is set out in the Appendix to the Notice of Annual General Meeting.

The SIP is a flexible share incentive plan which has been drafted to meet HM Revenue & Customs ("HMRC") approval requirements, thus enabling all eligible UK employees of the Company to acquire shares in a tax efficient manner.

By participating in the SIP, employees are entitled to invest in "Partnership Shares", which would be purchased or subscribed for on their behalf by the trustee of a UK resident trust using contributions from their gross salary (i.e. before the deduction of income tax and National Insurance contributions). The Company may also award "Matching Shares" in a prescribed ratio in relation to each Partnership Share acquired. Under the SIP, the Company may award "Free Shares" to participants that may be made subject to the achievement of performance conditions. All shares acquired under the SIP are held within the trust. The maximum tax advantages are available after five years, when shares may be withdrawn without any liability to income tax or National Insurance contributions.

It is proposed that only Partnership Shares would be offered at the initial launch of the SIP and that shares to satisfy those awards would be purchased in the market by the trustee of the SIP trust.

The SIP may be extended to overseas employees of the Company and its subsidiaries subject to such modifications as the Directors shall consider appropriate to take into account local tax, exchange control, securities law and other regulatory requirements.

Appendix – Principal features of the Share Incentive Plan

The principal features of the Topps Tiles Plc Share Incentive Plan (the "SIP") are outlined below.

Purpose

The purpose of the SIP is to provide UK resident employees of the Company and its subsidiaries with an opportunity to acquire ordinary shares ("Shares") in the Company on a tax-efficient basis.

The SIP is intended to be a Share Incentive Plan approved by HM Revenue and Customs ("HMRC") in accordance with Schedule 2 to ITEPA 2003 ("Schedule 2").

Administration

The SIP shall be administered by the Remuneration Committee of the Company ("Committee") with the assistance of a professional SIP administrator appointed by the Board. The SIP will be operated through a UK resident trust (the "Trust"). The Trust will subscribe for or purchase in the market the Shares that are awarded to employees under the SIP.

Eligibility

All UK resident employees of the Company and its participating subsidiaries must be offered the opportunity to participate in the SIP on the same terms. The Committee can require employees to have completed a minimum qualifying period of employment before they can participate, but that period must not exceed eighteen months before the first award is made, where the Company does not operate an accumulation period (see below). If the Company does decide to operate an accumulation period, the qualifying period of employment must not exceed six months before the accumulation period starts. Other employees may be permitted to participate at the Committee's discretion.

It is intended that the first invitations to apply for awards under the SIP will be made to all eligible executive Directors and employees who have completed 13 weeks' service with the Company at the date invitations to participate are issued. Thereafter, the Committee will determine the basis upon which any future invitations will be issued.

Shares to be acquired

Under the SIP, employees may be invited to invest in "Partnership Shares" and may be awarded "Matching" and/or "Free Shares" in a potentially tax-efficient manner. The Company may offer different combinations of awards as it considers best suits its business requirements from time to time.

The SIP provides for employees to acquire Partnership Shares by way of deduction from their gross salary up to a maximum of £1,500 per tax year or, if lower, 10% of their salary. The Committee may specify a lower limit in relation to awards from time to time.

The amounts must be invested in the SIP on behalf of the participants within 30 days of their deduction from salary, or alternatively accumulated over a period of not more than 12 months ("accumulation period"), and then invested.

The Committee can award up to two free Matching Shares for each Partnership Share acquired (equivalent to a maximum of £3,000 per annum).

In addition, the Committee can give up to £3,000 worth of Free Shares per annum per employee and can use Free Shares to reward employees for reaching team or divisional performance targets, provided such targets are established in accordance with the SIP legislation.

It is intended that, initially, employees will be invited to acquire Partnership Shares only, with no accumulation period.

Holding Periods

Partnership Shares are not subject to any holding period and employees can withdraw their Partnership Shares from the SIP at any time. Matching and Free Shares may be subject to a holding period of between three and five years during which time they must be held within the SIP unless the participant ceases employment, whereupon they must be removed (see below).

Forfeiture

Matching Shares and Free Shares may be subject to forfeiture in the event that a Participant ceases employment within a specified forfeiture period not exceeding three years, (other than as a result of redundancy, injury, ill-health, or reaching retirement age), in which case no forfeiture may apply. Matching Shares can also be awarded on the basis that they are forfeited if the corresponding Partnership Shares to which they relate are withdrawn within the forfeiture period.

Cessation of employment

Employees are required to take all their Shares out of the SIP when they leave employment with the Company or a Group company.

Limits on the issue of Shares

In any 10 year period not more than 10% of the issued ordinary share capital of the Company from time to time may be issued or issuable pursuant to rights acquired under the SIP and any other employees' share scheme adopted by the Company.

For the purposes of this limit, rights to acquire shares which lapse or have been released and awards satisfied by the purchase of shares in the market are ignored. However, shares subscribed by the trustees of an employee benefit trust to satisfy rights granted under any employees' share scheme adopted by the Company do count towards this limit.

Appendix – Principal features of the Share Incentive Plan continued

Amendment provisions
The Directors reserve the right up to the forthcoming Annual General Meeting to make such amendments and additions to the SIP as they consider appropriate and, following the Annual General Meeting, which may be necessary to obtain approval from HMRC, provided they do not conflict in any material respect with this summary of the rules.

Thereafter, the Committee may alter the provisions of the SIP in any respect (subject to the approval of HMRC as regards key features of the SIP) provided that the prior approval of shareholders in general meeting is obtained for alterations or additions to the advantage of participants to provisions relating to eligibility, the number of securities subject to the SIP, the basis for determining a participant's entitlement to Shares, and any adjustment thereof in the event of a variation in the Company's share capital.

The requirement to obtain the prior approval of shareholders will not, however, apply in relation to any alteration or addition which is minor in nature and made to benefit the administration of the SIP, to comply with the provisions of any existing or proposed legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for the Company, any of its subsidiaries or for participants.

Non-transferability of awards
Awards of Shares under the SIP are not transferable except on death, when shares may be transferred to the deceased employee's personal representatives.

Benefits not pensionable
Awards under the SIP will not be taken into account in determining a participant's pension rights.

Share rights
Shares issued and allotted under the SIP will rank equally with all other Ordinary Shares of the Company for the time being in issue and the Company will apply for admission of any new Shares issued under the SIP to the London Stock Exchange or any other relevant exchange on which the Shares are listed.

Dividends
The SIP Rules provide that any dividends paid on Partnership, Matching or Free Shares may either be paid to the participants or reinvested in the purchase of additional Shares (known as "Dividend Shares") to be held in the SIP for a holding period of three years. Dividend Shares may not be subject to forfeiture. It is not intended at present to offer participants the opportunity to reinvest dividends in the SIP.

Voting rights
The trustees of the Trust will not exercise the voting rights attributable to the Shares held in the trust except in accordance with the participants' instructions.

Change of control, reorganisations etc
In the event of a general offer being made to the shareholders or a rights or capitalisation issue, participants will be able to direct the trustees of the Trust how to act on their behalf.

Term of the SIP
The SIP will terminate on the tenth anniversary of its adoption or such earlier date as the Company, in its sole discretion, shall determine, but any termination shall not affect the existing rights of any participant.

Funding
Each participating Group Company may be required to fund the trustee of the Trust to subscribe for, and/or buy Shares (Free Shares and/or Matching Shares).

Overseas Employees
At the discretion of the Committee, the Scheme may be extended to overseas employees of the Company and its subsidiaries subject to such modifications as the Directors shall consider appropriate to take into account local tax, exchange control, securities law and other regulatory requirements, subject to SIP limits.

The team

A

Aamir Jamil
Aaran Spence
Aaron Charles Stenning
Aaron Foster
Aaron Turner
Abul Khashad
Adam Boshir
Adam Campion
Adam Clarke
Adam Close
Adam Cook
Adam Crowe
Adam Edwards
Adam Fenteman
Adam Folwell
Adam Ford
Adam Gale
Adam Green
Adam Ireland
Adam King
Adam Laidlaw
Adam Molloy
Adam Nuttall
Adam Palmer
Adam Parris-Munn
Adam Peter Ward
Adam Rodriguez
Adam Whittaker
Adam Wolniewicz
Adil Rajah
Adrian Earley
Adrian John Rimmington
Adrian Kimber
Aidan Ward
Aileen Crossley
Ajay Arya
Ajay Bhakri
Akiyemi Orekoya
Aklakud Duha
Akommil Ali
Akushu Mulenga
Alan Collins
Alan Cooper
Alan Harwood Parker
Alan Hughes
Alan John Rutherford
Alan Jones
Alan Law
Alan Mcdonald
Alan Monk
Alan Murray
Alan Norman Smalley
Alan Saunders
Alan Sinclair
Alan Sproston
Alan Wrighting
Alex Whitmore
Alexander Onions
Alexander Penn
Alexandria Murphy
Ali Faheem
Ali Rizvi
Alicia Victoria Mcgill
Alison Finn
Alison Hunt
Alison Walkinshaw
Alistair Robert Payne
Allan Chigariro
Allan Coomber
Allan Mckissock Harper
Alvin Chinyanga
Alvin Lapao
Amanda Jane Green
Amanda Jane Hullett
Amber Penn
Amit Bhargava
Andrea Horton
Andrew Baillie
Andrew Belson
Andrew Bowden
Andrew Brookfield
Andrew Chapman
Andrew Charles Curr
Andrew Clayton
Andrew Colin Woods
Andrew Collins
Andrew Cox
Andrew Curtis
Andrew Davis
Andrew Davis
Andrew Dawson
Andrew George Clay
Andrew Green
Andrew Groucutt
Andrew Hamilton
Andrew Hanson
Andrew Harrison
Andrew Hill
Andrew James Wood
Andrew Keattch
Andrew Leigh
Andrew Mark Wild
Andrew Middleton
Andrew Page
Andrew Parnell
Andrew Paul Hastings
Andrew Peter Waterfield
Andrew Phillips
Andrew Riley
Andrew Salkeld
Andrew Scorgie
Andrew Scott
Andrew Taylor
Andrew Warne
Andrew Wathan
Andrew Winterburn
Andrew Woodhouse
Andrew Young
Andy Playfoot
Andy Shaw
Angela Capp
Angela Faulkner
Angela Tremelling
Ann Mathias
Anna Kucharska
Anna Timney
Annmarie Malone
Ansar Ahmed
Anthony Alveranga
Anthony Ashton
Anthony Ayres
Anthony Bradford
Anthony Christopher
Anthony Cox
Anthony Daly
Anthony Davies
Anthony Eatock
Anthony Francis Molyneux
Anthony Gibby
Anthony Gilbert
Anthony Gregory
Anthony James Marshall
Anthony Linsell
Anthony Richard Aldred
Anthony Townsend
Anthony Whiter
Anthony Wood
Antony Belham
Anub Kuriakose Varghese
Anurag Thapliyal
Anwar Marshall
Arnold Harrison
Aron Hoff
Ashleigh Mackinnon
Ashley Cutler
Ashley Kent
Ashley Mcdonnell
Ashley Siddons
Asim Ali
Astone Davids

B

Barbara Connor
Barclay Pope
Barrie Kevin Palmer
Barry Bester
Barry Blackmore
Barry Edwards
Barry Hodges
Barry Jones
Barry Melvin Webber
Barry Taylor
Barry Veasey
Ben Armitage
Ben Baker
Ben Bright
Ben Brooker
Ben Davis
Ben Garcka
Ben Holloway
Ben Sawyer
Ben Woollins
Benjamin Morais
Benjamin Rich
Bernadette Peasland
Bernard Fallon
Bertil Boyles
Beth Boulton
Bilal Mukhtar
Bill Wylie
Billy Decaille
Billy Hutchins
Bjorn Bjergfelt
Bob Barlow
Bradley Ball
Brandon Christian Abels
Brant Wells
Brendan Joseph Flynn
Brett Case
Brett Goulden
Brian Burke
Brian Cariello
Brian Cox
Brian Crews
Brian Edward Dicks
Brian Fisher
Brian Flatters
Brian King
Brian Kirwin
Brian Mcguire
Brigette Hale
Bruce Fielding
Bruce Jeffery
Bruno Alves
Bruno Bernasconi

C

Cade Somerville
Calbert George Hall
Campbell Gray Marr
Carl Cook
Carl Courtney
Carl Cumberbatch
Carl Edlundh-Rose
Carl Fraser
Carl Hermitt
Carl Liam Collins
Carl Paternoster
Carl Roberts
Carl Trevor Dyke
Carl Whatley
Carlos Alberto B Morais
Carlos Chowdhury
Carol Lakin
Carol Livingstone
Caroline Ann Bennett
Caroline Sarah May
Caroline Wilson
Catherine Day
Catherine Eliza Platt
Chan Gokani
Chantelle Morgan
Charlene Walpole
Charles Ross
Charles Taylor
Charlie Battram
Charlotte Armstrong
Cheryl Vearncombe
Chetna Shah
Chioma Onyeakazi
Choudre Derrick Grobler
Chris Bland
Chris Cartey
Chris Curtis
Chris Heyes
Chris Howe
Chris Jensen
Chris Markham
Chris Mcmillan
Christer Leth
Christian Banham
Christian Nicandro
Christian Stokes
Christina Langridge
Christine Hendry
Christine Thistlethwaite
Christopher Bloy
Christopher Bowles
Christopher Burgess
Christopher Collins
Christopher Collins
Christopher Cooper
Christopher David Fleming
Christopher Harbutt
Christopher Holland
Christopher Holt
Christopher Jon Bray
Christopher Jones
Christopher Lamb
Christopher Moorhouse
Christopher Neil Foster
Christopher Nottle
Christopher Santos
Christopher Searle
Christopher Stear
Christopher Stobbs
Christopher Turley
Christopher Walley
Christopher Williamson
Chudry Usman Ghani
Ciaran Alainia
Claire Barksby
Claire Chaffe
Claire Rayton
Clare Barden
Colin Gadd
Colin Griffiths
Colin Harvey
Colin Hoban
Colin Joy
Colin Markham
Colin Micheal Rymer
Colin Skinner
Colin Taylor
Conrad Harrup
Cora Ann Morrison
Corrina Bowers
Craig Bradshaw
Craig Conway
Craig Dickson
Craig Dolling
Craig Gardener
Craig Hill
Craig Leslie Deveson
Craig Lewis
Craig Muldoon
Craig Murphy
Craig Nammontri
Craig Nicholson
Craig Ollard
Craig Reed
Craig Robertson
Craig Solkhon
Craig Tetlow

D

Dale Hoy
Dale Jonathan Stone
Dale Lee Mccormack
Damian Sheppard
Damon Durrant
Damon Short
Dan Matthews
Daniel Bath
Daniel Brain
Daniel Brian Musguin
Daniel Chant
Daniel Childs
Daniel Clayton
Daniel Cox
Daniel Fulcher
Daniel Hall
Daniel Hill
Daniel Ingham
Daniel James Little
Daniel John Branson
Daniel Jones
Daniel Keeble

The team continued

Daniel Lee
Daniel Loft
Daniel Mclean
Daniel Merrett
Daniel Peter Fallows
Daniel Robinson
Daniel Spencer
Daniel Stiven
Daniel Thompson
Daniel Thornley
Daniel Van Aswegen
Daniel Williams
Daniel Woodford
Daniel Wren
Daniel Zanettacci
Danielle Lynn Whittaker
Dannielle Fry
Darone Dubois-Gayere
Darran Wood
Darren Bebbington
Darren Connor
Darren Doughty
Darren Fletcher
Darren Harper
Darren Hyman
Darren Irving
Darren Mitchell
Darren Neil Morgan
Darren Rawlings
Darren Rutledge
Darren Square
Darren Wagg
Darren Walker
Darron Kerr
Dave Jobling
Dave Marsh
Dave Taylor
David Laurence Matthews
David Atherton
David Augustus
David Benjamin
David Binns
David Burnikell
David Christoph Hayers
David Critchlow
David Dorney
David Fisher
David George Parr
David Godbold
David Grenfell
David Hope
David James Fitzpatrick
David Jared Evans
David John Bolingbroke
David John Carpenter
David John Harper
David John Hatton
David John Hirst
David John Steel
David Kershaw
David Kettlewell
David Lane
David Livingston Hill
David Martin
David Martin
David Matthews
David Michael Blades
David Murray
David Nadin
David Neil Oliver
David Nicholas Savage
David Patrick Meers
David Peter Macartney
David Prime
David Roper
David Rowlands
David Sheehy
David Smith
David Stott
David Sutcliffe
David Thomas Henderson
David Thomasson
David Townsley
David Webb
David Whitelaw
David Williams
David Wilson
David Yallop
Dawn Allan
Dawn Gale Curtis
Dawn Stares
Dean Bull
Dean Carl Marshall
Dean Johnson
Dean Kelly
Dean Lewis
Dean Macmillan
Dean Miller
Dean Stokes
Dean Titchen
Dean Tricker
Dean Woolley
Debbie Demes
Debbie Woolmore
Deborah White
Denis O'brien
Denise Fishwick
Dennis Cragen
Dennis Jepson
Dennis Lammas
Denzil Richard Johns
Derek Alan Sim
Derek Lambourn
Derek Smith
Derek Wooller
Desmond Agyei
Devindren Govender
Dewi Williams
Diane Shatford-Butcher
Dilawar Ali
Dilip Parmar
Dinesh Amin
Dipal Parikh
Dishon Meade
Divyesh Javiya
Dominic Coates
Dominic Hall
Dominic Reilly
Donald Magullian
Donna Louise Boulton
Donna Whall
Douglas Hartness
Duane Glover
Duncan Foy
Dylan Roberts

E

Eamonn Clancy
Edmund Church
Edward Derbyshire
Edward Murphy
Elizabeth Morrissey
Elizabeth Selfridge
Emily Dyer
Emily Margaret Lenton
Emma Bailey
Emma Fortes
Emma Hatton
Emma Louise Kenney
Emma Whatson
Emmanuel Liwao
Emran Mannan
Eric Asuming
Ermiyas Girma

F

Farid Haddad
Farooq Younis
Felipe Da Rocha West
Finbarr Mcquaid
Fiona Finnigan
Fiona Grant
Fiona Mckeracher
Fitz Martin
Frances Aylward
Francesca Wright
Frank Hibbert
Fuad Haibatan

G

G Style
Gabriel Vanrel
Gareth Carnegie
Gareth Davies
Gareth Hammond
Gareth Pye
Gareth Robert Griffiths
Gareth Roberts
Gareth Ward
Garry Case
Garry Hardy
Garry Padgett
Gary Appel
Gary Ashdown
Gary Asher
Gary Bloomfield
Gary Gear
Gary George Parris-Munn
Gary Marsden
Gary Marshall
Gary Purves
Gary Read
Gary Ronald Curtis
Gary Staines
Gary Wilcox
Gary Woolmore
Gavin Baker
Gavin Collins
Gavin David Bennett
Gavin Jepson
Gavin Magwood
Gavin Meek
Gavin Mitchell
Gediminas Merkys
Gemma Mcbirnie
Gemma Stephens
George Charles Peck
George Latham
George Martin Tuplin
George Martinesz
George Richard Wilson
George Skinner
Georgina Catling
Georgina Salt
Geraint Thorne
Gerard Patrick Mallon
Gethin Jordan
Gianfranco Zanolini
Gillian Grace
Girish Shah
Glen James Holloway
Glendale Canoville
Glenn Claridge
Glenn Rivers
Glyn Jones
Glyn Rogers
Gordon Davies
Goutam Saha
Graham Brophy
Graham Davidson
Graham Ford
Graham Jones
Graham Livingstone
Graham Vance
Grant Woolway
Greg Wingate
Gregory John Barwick
Gregory Salt
Gurdeep Panesar
Gursharan Bains
Gursharn Singh Ladhar
Guy Ferguson

H

Haim Cohen
Hamid Deen
Hannah Lakey
Hannah Shepherd
Harjit Dhaliwal
Haroon Cockar
Harpreet Hansra
Harpreet Singh
Harry Biggs
Hayley Bover
Hazel Millington
Helen Gosling
Helen March
Henna Khalil
Henry Reinoso
Hitesh Patel
Hugh Selley

I

Iain Arnott
Ian Aikman
Ian Andrew Mcalinden
Ian Bird
Ian Jones
Ian Keith Bloomfield
Ian Marshall
Ian Marshall
Ian Mcloughlin
Ian Mcneish
Ian Michael Sykes
Ian Noon
Ian Paterson
Ian Tivendale
Ian Winterburn
Ibrahim Cisse
Imran Ashraf
Irene Dickinson
Isaac Halstead
Iwan Jones
Izabela Krzyszkowska

J

Jabbar Shah
Jack Cairns
Jack Campany
Jack Carslake
Jack Cassidy
Jack O'neill
Jack Whitehead
Jacob Gonzales
Jacqueline Ann Byrne
Jailuene Peake
Jair Sharp
Jajwinder Harar
Jake Brown
Jake Haudiquet
Jake Missen
Jake Shopland
Jake Woods
James Bayley
James Biesty
James Butler
James Cameron
James Clifford
James Eastham
James Fox
James Heard
James Hollingshead
James John Patston
James Judkins
James Mcardle
James Metcalf
James Morgan
James Murphy
James Netting
James Pearson
James Pilfold
James Rathbone
James Robertson
James Rolfe
James Stark
James Stevens
James Taylor
James Thorning
James Vanderplank
James Whitehead
James Woor
James Young
Jamie Alan Keeling
Jamie Axten
Jamie Bannon
Jamie De Paepe
Jamie Durnan
Jamie Evans
Jamie Sia
Jamie Thain
Jamie Wenborn
Jan Vardis Reddi
Janet Riley
Janice Millett
Jared Rapsey
Jarreth Hawkins
Jason Buckley
Jason Clare

Jason Clyde Meadows
Jason D'arcy
Jason Ealden
Jason Field
Jason Harper
Jason Jermaine Nettleford
Jason Knox
Jason Morley
Jason Perry
Jason Pratt
Jason Rose
Jason Thomas
Jayandrie Chetty
Jayaprakash Paragjee
Jayde Bailey
Jaymal Arjan
Jeannette Hastie
Jefferson Rey
Jeffrey David Armstrong
Jeffrey Utley
Jemma Wyatt
Jennifer Donlan
Jennifer Wall
Jenny Inkson
Jenny Seabrook
Jeremy Paul Harris
Jessica Mackenzie
Jessica Thiari
Jignesh Nayee
Jill Cox
Jim Tuvey
Joan Hicks
Joanne Bennett
Joanne Rachel Elton
Jodie Baigrie
Joe Cox
Joe Gregorace
Joe Riddell
Joe Smith
Joesph Lawton
John Agnew
John Anthony Tait
John Aspey
John Bourke
John Chinn
John Cook
John Crowter
John Duffy
John Fawkes
John Foster
John Gardner
John Gary Smith
John Hartley
John Hickey
John Hughes
John Marc Forden
John Mark Ellis
John Marris
John Moat
John Neil Keouski
John Nelson
John Page
John Paine
John Paul Harris
John Richard Wright
John Shaw
John Smith
John Stephenson
John Taylor
John Thompson
John Williams
John-Paul Jones
Jon Pringle
Jon Thatcher
Jonathan Bainbridge-Coombs
Jonathan David Benn
Jonathan Francois
Jonathan Hargreaves
Jonathan Morgan
Jonathan Morton
Jonathan Smith
Jonathan Wade
Jonathan Wallace
Jonathan Williams
Jonathan Woodroff
Jonathon A. M. Sheerin
Jonathon Thomas Hall
Jon-Paul Hughes
Jon-Paul Russell
Jordan Farenden
Josef Kinski
Josephine Barba Hilldrup
Josh Batterham
Josh Dempster
Joshua Luke Groener
Joshua Rapley
Juginder Gill
Julie Ann Cox
Julie Anne Fewings
Julie Brachtvogel
Julie Jordan
Juliet Wilford
Justin Bradley

K

Kalpit B Patel
Kamlesh Shah
Karen Brook
Karen Sutcliffe
Karina-Jade Tubb
Karl Atkins
Karl Batterham
Karl Dean Verry
Karl Kristian Johansson
Karl Stephens
Kashan Lennon
Kashif Munir
Kate Cook
Kate Rudkin
Kathryn Robinson
Katie Jayne Brindley
Katie Slater
Katie Turner
Katy Davis
Kawaljit Singh Gulati
Keir Beeson
Keith Ambrose
Keith Earl
Keith Fitzpatrick
Keith Hughes
Keith Ian Rudkin
Keith Johnson
Keith Storrier
Kelly Bell
Kelly Savile
Kelly-Anne O Connor
Kenneth W.J.P. Owen
Kenneth William Pettengale
Kenneth Williams
Kerri Atkinson
Kerry Hume
Kerry Saunders
Ketan Patel
Kevan Ray Richardson
Kevin Brian Baker
Kevin Burchell
Kevin David Hastings
Kevin Fox
Kevin Hailes
Kevin Hardy
Kevin Hartley
Kevin Hodson
Kevin Jeans
Kevin Jones
Kevin Naylor
Kevin Nicol
Kevin Paul Bowtle
Kevin Rowe
Kevin Sherwood
Kevin Thorne
Kevin Tully
Keyur Pathak
Kieran Barnes-Warden
Kieron Clarke
Kim Liddle
Kirsten Mortlock
Kirsti Altass
Kranthi Rakesh Kondaveeti
Kris Bailey
Krishan Ladwa
Kristian Catterall
Kristina Kane
Kuldeep Singh
Kunal Pandya

L

Laith Al-Rawi
Lance Cale
Laura Edwards
Laura Elizabeth Johnson
Laura Kirk
Laura Sansom
Lauretta Clarke
Laurie Jones
Lawrence Mezza
Leah Norris
Leanne Michelle Palmer
Lee Arrowsmith
Lee Baxter
Lee Clarke
Lee Dering
Lee Dover
Lee Downing
Lee Durrant
Lee Etheridge
Lee Galloway
Lee Gornall
Lee Hartness
Lee Hutchinson
Lee Jacovou
Lee James
Lee Johnstone
Lee Marshall
Lee Mayfield
Lee Mcconnell
Lee Morris
Lee Raymond Fisher
Lee Read
Lee Stephenson
Lee Taylor
Lee Thomas Shillibeer
Lee West
Leena Ramsaha
Lefter Bregu
Leigh Dominic Holden
Leigh Hyam
Leigh Taylor
Leo O'doherty
Leon Anthony Salt
Leon O'neill
Leon Strange
Leonard Finch
Lesley Watson
Lesley Wilson
Leslie Shemmeld
Lester Marshall
Lewis Axford
Lewis Edwards
Lewis Franklin
Lewis Saunders
Lewis Smith
Lewis Walter
Liam Allen
Liam Fields
Liam Godfrey
Liam Gulliver
Liam Hodgkins
Liam Hunt
Liam Piper
Lianne Harrison-Allcock
Linda Purvis
Lisa Algar
Lisa Holmes
Lloyd Perry
Lorna Hislop
Loucas Louca
Louis Johnson
Louise Sprigg
Louise Wilson
Luke Kennedy
Luke Kerr
Luke Mcnally
Luke Potiphar
Lynette Grimes
Lynn Pearson

M

Malcolm Ferguson-Thomas
Malcolm Temple
Malik Ejaz Ahmad
Malik Khaliq
Mandy Aidney
Mansoor Ali
Marc Breeze
Marc Stevens
Marc Whiting
Marcel Moore
Marcin Sakowicz
Margaret Dawn Lawrie
Marie Buckingham
Mark Alan Burgess
Mark Allman
Mark Anthony Vaughan
Mark Atkinson
Mark Aveling
Mark Bianchi
Mark Bradbury
Mark Brown
Mark Brownsey-Joyce
Mark Coe
Mark Discombe
Mark Dowling
Mark Frisby
Mark Fuller
Mark Geary
Mark Glen
Mark Hunter
Mark Johnson
Mark Johnston
Mark Lee Gasson
Mark Lever
Mark Maciver
Mark Palmer
Mark Stone
Mark Tennant
Mark Thompson
Mark Van Johnson
Mark Waldock
Mark Walters
Mark Winder
Mark Wright
Marlon Barnes
Martin Braddick
Martin Derricott
Martin Evans
Martin Kennell
Martin Morris
Martin Osborne
Martin Siggers
Martin Sloan
Martin Smyth
Martin Timothy Williams
Martin Watt
Martin Williams
Martin Winterburn
Martin Wys
Martyn Gilbert
Martyn Spring
Mary Smith
Mary Syme
Mathew Clayton
Matt Hammersley
Matt Hay
Matthew Attwood
Matthew Britton
Matthew Charleston
Matthew Chase
Matthew Clamp
Matthew Clayton
Matthew Coward
Matthew Dunne
Matthew Fisher
Matthew Hill
Matthew James Foster
Matthew James Robinson
Matthew James Wright
Matthew John Foulger
Matthew King
Matthew Lee Sigley
Matthew Marston-Chesher
Matthew Mcphee
Matthew Melia
Matthew Moore
Matthew Pickering
Matthew Stephen Hawley
Matthew Stewart
Matthew Stuckey
Matthew Wesson
Matthew Whitlock
Matthew Williams

The team continued

Matthew Woodhouse
Mehmet Asdoyuran
Melanie Gray
Melton Thompson
Melvyn Chamberlain
Mervin Dunaway
Metimiku Yohannes
Michael Antony Finn
Michael Asumadu
Michael Blinkhorne
Michael Booth
Michael Boughton
Michael Bowden
Michael Braithwaite
Michael Buckley
Michael Campbell
Michael Colin Earls
Michael Collins
Michael Cosgrove
Michael Darroch
Michael Fannon
Michael Foley
Michael George Litster
Michael Haggett
Michael Hall
Michael Harvey
Michael Henshaw
Michael Huskisson
Michael Jack
Michael James Hopper
Michael Jenks
Michael John Harvey
Michael Lay
Michael Lovelock
Michael Queen
Michael Simcoe
Michael Slater
Michael Stewart
Michael Van Sittert
Michael Weeks
Michele Louise Poxon
Michelle Chadwick
Michelle Hill
Michelle Kempson
Michelle Lawson
Mike Butler
Mike Ingham
Mike King
Mike Potter
Mohamed Akeel Akhtar
Mohamed Salim Patel
Mohammed Amin
Mohammed Jimale
Mohammed Nawaz
Mohammed Parvaz
Mohammed Shah Jamil
Mubashir Uddin
Muhammad Fazil Khan
Muhammad Mehmood
Muhammad Mirza
Murdo Martin

N

Naomi Ellis
Narinder Chatha
Natasha Stringer
Nathan Austin
Nathan Bentley-Hicks
Nathan Coulthard
Nathan Edwards
Nathan Harry
Nathan Heape
Nathan Sobers
Nathan Winterton
Nathan Wolowicz
Navesh Naidoo
Neil Ammon
Neil Andrew Jones
Neil Brownley
Neil Charles
Neil Christopher Hendy
Neil Christopher Southgate
Neil David Homan
Neil Donkin
Neil Hughes
Neil Ketnor
Neil Philip Wardlaw
Neil Thakore
Neil Topping
Neil Williams
Neill Wiltshire
Nelson Minj
Nicholas Billyeald
Nicholas Gadd
Nicholas Harper
Nicholas Kershaw
Nicholas Lawrence
Nicholas Lewis
Nicholas Ounstead
Nicholas Payne
Nicholas Turvey
Nicholas Walch
Nicholas Withers
Nicholaus Buchanan
Nick Bedford
Nick Donnelly
Nick Gussow
Nick Lodge
Nick Wardman
Nicky Glenister
Nicky Saville
Nicola Mcwatt
Nicolas Dicchi
Nicole Andrews
Nigel Fleming
Nigel Hickman
Nigel Morris
Nigel Parry
Nigel Turner
Nikola Sutton
Nilesh Kerai
Noah Lawrie
Numan Razaq
Numan Usman

O

Oliver Clancy
Osemar Masaya

P

Paige Makepeace
Pamela Cuffin
Patrick Burke
Patrick Chambers
Patrick Coleman
Patrick Mcgee
Paul Aaron Renyard
Paul Aird
Paul Andrew Irving
Paul Baxter
Paul Burkett
Paul Carter
Paul Cartledge
Paul Chapman
Paul Charles Kelly
Paul Clark
Paul Collett
Paul Cull
Paul Dalby
Paul Davey
Paul Davies
Paul Fitzsimmons
Paul Galvin
Paul Greenslade
Paul Holmes
Paul James Burrow
Paul James Cowen
Paul James Smitheringale
Paul John Starkey
Paul Lathrope
Paul Laverty
Paul McCabe
Paul Mckenna
Paul Michael Mills
Paul Miller
Paul Nicholls
Paul Noyes
Paul Rockett
Paul Ruddle
Paul Silvester
Paul Smith
Paul Symonds
Paul Tallan
Paul Tennant
Paul Whittington
Paul Wiltshaw
Paula Elizabeth Budsworth
Pauline Harrison
Pawel Warych
Penny Vanderplank
Peter Anderson
Peter Brooks
Peter Charters
Peter Davey
Peter Higgins
Peter Hogg
Peter Hughes
Peter Jones
Peter Lea
Peter Lettis
Peter Mcintyre
Peter Meredith
Peter Nicholson
Peter Norwood
Peter Paul Jenkins
Peter Simmonds
Peter Walmsley
Peter Woods
Peter Young
Petr Stepan
Phil Kelly
Philip Alex Cranston
Philip Anthony Mccarney
Philip Chrysandrea
Philip David Lewis
Philip Deakin
Philip Devine
Philip Dunn
Philip English
Philip Gallop
Philip James Hibbert
Philip Trevis
Phillip Ell
Phillip Goodeve
Phillip John Hunt
Phillip Walters
Phillipa Hewitt
Phonphan Butkhorn
Prakash Mistry
Premyslaw Swisloki

Q

Quadeer Ahmed

R

Rachel Willcock
Raj Surani
Rajan Mehta
Rajiv Vadgama
Ravendra Bishun
Ray Jeakins
Raymond Johnson
Raymond Thompson
Rebecca Geer
Rebecca Heather
Rebecca Karen Smith
Rebecca Oblein
Reg Anderton
Rhys Hedges
Rhys Kelland
Ricardo Malcolm
Richard Banton
Richard Brookfield
Richard Carter
Richard Carter
Richard Chiverton
Richard Clark
Richard Cooke
Richard Edwards
Richard Fellows
Richard Harris
Richard Hopkin
Richard John Davies
Richard Matthew Lee
Richard Oates
Richard Oldale
Richard Paul Bickers
Richard Paul Homan
Richard Slack
Richard Sumner
Rickey Singleton
Riki Spadone
Rob Chawner
Rob Owen
Robel Ghebrewold
Robert Michael Bellamy
Robert Adkins
Robert Avery
Robert Bindon
Robert Brewin
Robert Cairns
Robert Clarke
Robert Clarke
Robert Courtney
Robert David Adams
Robert Fernandes
Robert George
Robert Gilbert
Robert Howes
Robert James Howker
Robert John Exley
Robert Keohone
Robert King
Robert Knight
Robert Kweli
Robert Lamb
Robert Lynch
Robert Moss
Robert Myers
Robert Parker
Robert Philpott
Robert Power
Robert Prince
Robert Sly
Robert Swift
Robin Dixon-Fyle
Robin Moore
Robin Stagg
Rodney Meyer
Roger Bailey
Roger Gridley
Romaldo Rodrigues
Roman Kojhuharov
Ron Woolgar
Ronnie Webster
Rory Milne
Ross Ashbrook
Ross Copley
Ross Hunt
Ross Langford
Ross Mcnair
Ross Philpot
Roxanne Evans
Roxanne Martin
Roy Leslie Peasland
Roy Redgate
Russ Davis
Russell Adgey
Russell Ball
Russell Potlin
Russell Shafer
Russell Thornton
Ryan Apark
Ryan Curd
Ryan Gomersall
Ryan Jones
Ryan Jones
Ryan Mason
Ryan Randall
Ryan Sinclair

S

Saad Bin Maqsood
Sachin Radia
Sagren Naidoo
Sajid Aibani
Saleh Idris
Salman Bawani
Sam Francis
Sam Kofi Nortey
Sam Orton
Sam Ripley
Samantha Ann Hunter
Samantha Barrett
Samantha Louise Sayer
Samantha Mussett
Samantha Sumbler
Samantha Suthard

Sameer Jamdar
Sampson Coomber
Samson Okolosi
Samuel Awoliyi
Samuel Ben Carey
Samuel Major
Samuel Prewer
Sandip Sahota
Sandra Ramsay
Sanjay Patel
Sanjeepan Balasubramaiam
Santosh Gauniyal
Saqib Ishfaq
Sarah Bacon
Sarah Cassam
Sarah Dobson
Sarah Drake
Sarah Kite
Sarah Marshall
Sarah Ramm
Sarah Shirley
Sarah Victoria Newcomb
Scott Ahmad
Scott Ambrose
Scott Birdseye
Scott Bond
Scott Booth
Scott Campbell
Scott Currie
Scott Hatton
Scott James Meadows
Scott Williams
Scott Winchester
Sean Austin
Sean Cahill
Sean Daniel Green
Sean Dare
Sean Gee
Sean Weatherby
Sergio Antunes
Shahid Mahmood
Shana Doherty
Shane Brian W Horsted
Shane Bryan
Shane Daley
Shane England
Shane Harvey
Shane Malone
Shane Till
Shannon Emily Woods
Sharon Beckett
Sharon Buckley
Shaun Bryan
Shaun Hutchins
Shaun Malcolm Douglas
Shaun Mayes
Shaun Pawsey
Shaun Scott
Sheila Myrie
Sheila Robertson
Shelley Rutter
Shezad Parkar
Shirley Moore
Shoaib Shakoor
Shohale Ali
Sian Griffiths
Silvonne Mclean
Simon Arthur Brookfield
Simon Cripps
Simon Crossland
Simon Dunsford
Simon Frew
Simon Gareth Jones
Simon Green
Simon Grimmett
Simon Gundry
Simon James Chappell
Simon James Neal
Simon Lacey
Simon Lasham
Simon Lee Brookfield
Simon Leslie
Simon Lewis
Simon Loach
Simon Palmer
Simon Partridge
Simon Paul Witham
Simon Pitt
Simon Roberts
Simon Stuart Morgan
Simone Turner
Sinitta Maan
Siobhan Waters
Stacy Sturdy
Steffan Burns
Stephanie Ailwood
Stephanie Anne Nevett
Stephen Adams
Stephen Barry Marshall
Stephen Benson
Stephen Bloomfield
Stephen Collins
Stephen Corkett
Stephen Crane
Stephen Creasey
Stephen Foote
Stephen France
Stephen Freeman
Stephen Getty
Stephen Green
Stephen Kelly
Stephen Machin
Stephen Michael Lewis
Stephen Seymour
Stephen Spurgeon
Stephen Starkie
Stephen Welsby
Stephen West
Steve Bristow
Steve Clayton
Steve Gaylor
Steve Mccormick
Steve Smith
Steve Smith
Steve Smith
Steve Wood
Steven Buxton
Steven Christie
Steven Christop Walker
Steven Clifford Godwin
Steven Dooley
Steven Dyson
Steven Hooper
Steven Howells
Steven James Mackie
Steven Jenkins
Steven Kernot
Steven Macarthur
Steven O'hara
Steven Paul Richards
Steven Pressley
Steven Whitehead
Stewart Ian Creaser
Stuart Baigent
Stuart Barrett
Stuart Bartlett
Stuart Booker
Stuart Clarke
Stuart Comer
Stuart Corlett
Stuart Davey
Stuart David Pemberton
Stuart Dixon
Stuart Gorry
Stuart Hall
Stuart John Whitby
Stuart Munton
Stuart Rees
Stuart Roscoe
Stuart Ross
Stuart Williams
Stuart Williams
Sue Bill
Suresh Mistry
Surmukh Jandu
Susan Black
Susan Jeanette Attwell
Susan Margaret Hulme
Susan Mary Henshall
Suzanne Owen

T

Tami Robinson
Tanya Paterson
Tanya Sharpe
Tara Smith
Teodoro Zapanta
Terab Ali
Terance Langford
Terence Dowling
Terence J Dooley
Terry Brown
Terry Howard
Terry Hutchinson
Terry Salisbury
Theresa Scrase
Thomas Boulton
Thomas Charles Newman
Thomas Clutterbuck
Thomas Crawford
Thomas Cunningham
Thomas Gerard Wade
Thomas Marriott
Thomas Otley
Thomas Ryan
Thomas Swain
Thomas William Fry
Tim Bird
Tim Ives
Tim Tatlock
Timothy Bentley
Timothy Gerard Boardman
Timothy Stanhope
Timothy Tuff
Toby Collins
Toby Hutton
Todd Routledge
Tom Evans
Tom Lewis
Tom Mcdowell
Tom Watkins
Tom Wood
Tony Dedman
Tony Nunn
Tony Watson
Tracey Ann Hansard
Tracy Karen Ryan
Tracy Wickenden
Trevor Hutchings
Trevor Thomas
Troy Wyse
Tyler Atheis
Tyrell Beckham
Tyrone Godson-Charles

U

Upendra Dudhaiyia
Urmila Bhudia

V

Varun Sharma
Vilius Meilus
Vince Barber
Vinesh Goswami
Vinod Joshi
Vinsen Velvindron

W

Walkey Hilaire
Warren Bester
Warren Daly
Wayne Michael Farini
Wayne Quaintance
Wayne Randall
Wayne Wheeler
Wendy Bruce
Wesley Harrop
Wesley Neukermans
Will Bailey
William A Gunshon
William Barreda
William Brownsell
William Cruickshank
William Lewinton
William Mason
William Ralls
William Ryves
Willy Wishard Silupya

Y

Yusuf Bassaf
Yusuf Hasan Ahmed Mursal
Yvonne Archer
Yvonne Burgess
Yvonne Simpson

Z

Zaccai Newman
Zainab Mahmoud Idris
Zeeshan Naveed
Zoe Atkinson
Zoe Derry
Zoe Leadbeatter
Zoe Mills

Topps Tiles

Midlands
Birmingham – Erdington
Birmingham – Solihull
Birmingham – Sheldon
Boston
Burton upon Trent
Cannock
Chesterfield
Coventry
Coventry – Binley
Derby
Derby – Omaston
Evesham
Grantham
Hereford
Kidderminster
Kings Heath
Leicester
Leicester – Grove Park
Lincoln
Long Eaton
Mansfield
Newark
Newcastle under Lyme
Nottingham
Redditch
Rugby
Shrewsbury
Spalding
Stamford
Stoke on Trent
Stratford upon Avon●
Tamworth
Telford
West Bromwich
Wolverhampton
Worcester
Worksop

London
Battersea
Beckton
Beckenham●
Borehamwood
Brentford
Brixton
Camden
Catford
Catford – Bromley Rd●
Charlton
Cheam
Chingford
Colindale
Croydon
Dagenham
East Sheen●
Edmonton
Enfield
Feltham
Forest Hill
Fulham
Gunnersbury
Harrow
Highgate
Ilford
Mile End
Mitcham
New Cross Gate
New Southgate
Old Kent Road
Penge
Raynes Park
Romford
Ruislip
Southall
Stamford Hill
Staples Corner●
Stevenage
Streatham●
Strood●
Twickenham
Uxbridge
Vauxhall
Waltham Cross
Wandsworth
Watford
Wembley
West Wickham
Wimbledon●

South
Abingdon
Ashford
Aylesbury
Banbury
Barnstaple
Basildon
Basingstoke
Bedford
Bexhill
Bishops Stortford
Bognor Regis
Bodmin
Braintree
Brentwood
Bridgwater
Brighton
Bristol – Clevedon
Bristol – Bedminster
Bristol – Cribbs Causeway
Broadstairs
Buckingham
Bury St Edmunds
Byfleet
Camberley
Cambridge
Canterbury
Chichester
Chippenham
Chelmsford
Cheltenham
Chesham
Christchurch
Clacton
Colchester
Crayford
Cromer
Eastbourne
Erith
Exeter
Exmouth
Fareham
Farnborough
Farnham
Folkestone
Frome
Gatwick
Gloucester
Grays
Great Yarmouth
Guildford
Harlow
Hemel Hempstead
Hengrove
Horsham
Huntingdon
Ipswich
Ipswich – Martlesham
Isle Of Wight
Kettering
Kings Lynn
Launceston
Letchworth
Lewes
Lowestoft
Luton
Maidstone
Milton Keynes
Newbury
Newhaven
Northampton
Norwich
Orpington
Oxford
Oxford – Watlington
Peterborough
Plymouth
Poole
Portsmouth
Rayleigh
Reading
Salisbury
Sittingbourne
Slough
Southend On Sea
Southampton – Hedgend
Southampton
Millbrook
St Albans
St Neots
Sudbury
Swindon
Taunton
Thetford
Tiverton
Tonbridge
Torquay
Tunbridge Wells
Uckfield
Wellingborough
Welwyn Garden City
Weston Super Mare
Winchester
Windsor●
Wisbech
Truro●
Yeovil

Wales
Bangor●
Barry
Bridgend
Cardiff
Cardiff – South Glamorgan
Cross Hands
Flint
Haverfordwest
Holyhead
Merthyr Tydfil
Neath
Rhyl
Swansea
Wrexham

North
Aintree
Anfield
Barnsley
Barrow In Furness
Birkenhead
Birstall
Blackburn
Blackpool
Bolton●
Bradford●
Carlisle
Cheadle
Chelmsford
Chester
Chorley
Cleveleys
Congleton
Crewe
Darlington
Doncaster
Durham
Grimsby
Harrogate
Huddersfield
Hull
Leeds
Leek
Macclesfield
Manchester – Audenshaw
Manchester – Green Quarter
Manchester – Failsworth
Manchester – Hyde
Manchester – Salford
Manchester – Sale
Manchester – Stockport
Manchester – Openshaw●
Morecambe
Nantwich
Northwich
Oldham●
Ormskirk
Penrith
Pontefract
Preston
Rotherham
Scarborough
Stockton
St Helens
Sunderland
Tyneside
Wakefield
Warrington
Widnes
Wigan●
York

Scotland
Aberdeen
Dumfries
Dundee
Edinburgh – Kinnaird●
Edinburgh – Sighthill
Edinburgh – Leith
Falkirk
Glasgow
Glasgow – Govan
Glasgow – Greenock
Glasgow – Hillington
Glasgow – Shawfield
Inverness
Wishaw

Tile Clearing House

Midlands
Cheltenham
Birmingham – Great Barr
Kettering
Kidderminster
Northampton
Norwich
Nottingham
Nuneaton
Peterborough
Shrewsbury
Stoke-on-Trent
Stoke-on-Trent – Fenton
Wolverhampton

London
Barking
Charlton
Dartford
Hayes
Orpington
Park Royal
Southgate

South
Bournemouth
Eastbourne
Exeter
Harlow
Ilford
Plymouth
Swindon

Wales
Swansea

North
Blackpool
Cheadle
Doncaster
Liverpool – Maghull
Hull
Lincoln
Stockport
Wigan

Scotland
Aberdeen

Total 312 stores

● New store 2009/10

Store locations

15
stores operated by the Group in Scotland

63
stores operated by the Group in North region

50
stores operated by the Group in Midlands region

15
stores operated by the Group in Wales

56
stores operated by the Group in London

113
stores operated by the Group in South region

Topps Tiles – Store numbers	
Stores at the beginning of the period	265
New stores opened	17
Sub-total	282
Closures (including brand swaps)	–7
Total	**275**

Tile Clearing House – Store numbers	
Stores at the beginning of the period	44
New stores opened	–
Sub-total	44
Closures (including brand swaps)	–7
Total	**37**

Designed and produced
by **Radley Yeldar**
www.ry.com

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Topps Tiles
TILES FOR EVERYONE