



ANOTHER BIG YEAR



100-101
102-103

THE STOCK EXCHANGE





BIG RESULTS

This is the fourth consecutive year since flotation, in which our financial results have shown significant growth. More new stores, a growing brand awareness and a strong performance by staff have combined to drive the business forward.

- Turnover up 19.2%now **£74.6m.**
- Gross profit up 20.2%now **£41.1m.**
- Profit before tax up 17.4%now **£9.4m.**
- Earnings per share up 13.0% ...now **14.8p.**
- Like-for-like sales growthof **5.3%.**

Financial Results

We are pleased to announce another strong set of financial results showing considerable growth for the year. Topps Tiles achieved a 17.4% increase in profit before tax to £9.414 million, from £8.018 million in 2000, with a 19.2% increase in turnover to £74.642 million from £62.614 million last year. Our gross profits increased 20.2% to £41.090 million and sales for the period were 5.3% ahead on a like-for-like basis.

Whilst gross margins for the year overall were slightly ahead of those for the same period last year (55.0% compared with 54.6% last year), we had budgeted for an increase in gross margin in the second half of the year, but as announced on 13 July 2001, this did not come through. Whilst we continued to enjoy strong margins on tile sales, we did experience competitive pressures on our wood flooring products. We started to increase margins on our tile sales in the second half, but due to the relatively slow stock turn in our industry, such margin improvements did not flow through during the second half. These gains that we had expected in the second half are now starting to filter through and we expect this to continue to grow steadily during this new financial year. Earnings per share increased by 13.0% to 14.8p compared to 13.1p in 2000.

Capital expenditure, excluding freehold property, amounted to £4.1m. This reflects the cost of fitting 25 new stores at a cost of £1.8m (only 22 open and trading in the period) and the refurbishment of a further 28 stores at a cost of £1.2m. We have also updated our store EPoS system at a cost of £0.6m.

During the year we acquired two freehold properties and developed a further site at a total cost of £1.3m. We also disposed of one freehold property with proceeds of £0.8m which gave a surplus over net book value of £0.3m. The Group currently owns twelve freehold properties with a net book value of £4.3m.

At the period end cash balances for the Group were £2.2m and long term bank loans were £2.7m.

Dividend

With sales for the current trading year indicating continued growth, the Board is recommending a final dividend of 3.85p. The dividend will be paid on 1st October 2001 to all shareholders on the register as at 7th September 2001. The total dividend for the year is 5.00p per share against 4.33p for 2000, an increase of over 15%.

Operational Review

The Group has made significant progress this year in what has been a busy and exciting time. We have further strengthened our position as the UK's largest ceramic tile specialist. The Company has continued to expand across the UK, opening a total of 22 new stores and closing two during the year. This gives us a total of 147 trading outlets, comprising 121 Topps Tiles stores and 26 Tile Clearing House stores, further strengthening our leading position in the UK market.

In June 2001 we opened our first store in Holland as a pilot, to evaluate the market potential in mainland Europe. It is difficult at this early stage to draw any long-term conclusions. We have also entered into an agreement with home improvement retailer MFI, that gives us an opportunity to take space in their stores. Our first in-store Tile Studio by Topps opened in December 2000 and we anticipate rolling out another four concessions this financial year, giving us an increased penetration into the home improvements market. This is an exciting opportunity and sales to date have been promising. It is an addition to our core business that we will monitor closely.

Stock levels have reduced from 205 days cover in May 2000 to 187 days cover at the period end, which reflects the continued efforts to achieve efficiencies in our stock management.

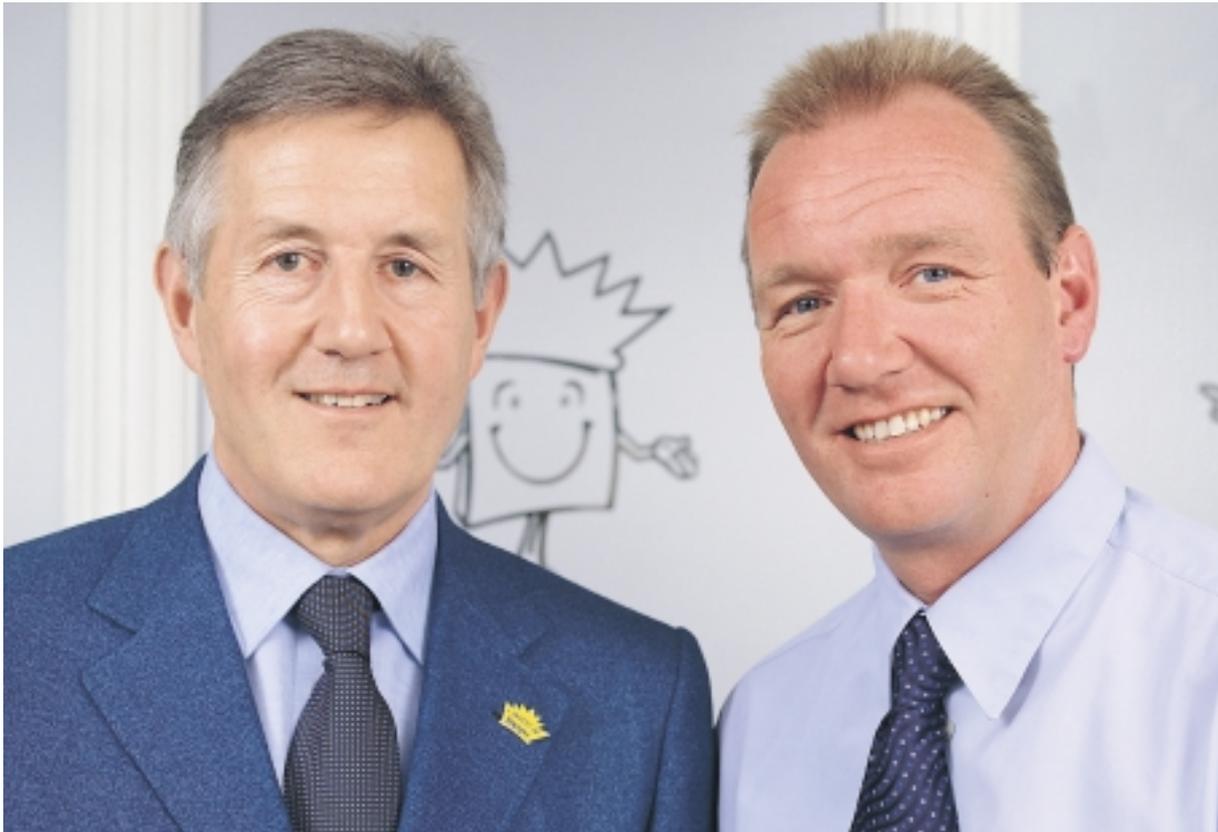
Current Trading and Prospects

The ceramic tile market remains buoyant and is forecast to grow further. Like for like sales for the first seven weeks of the current year are 11% ahead of last year with total sales up 20%.

We will continue our expansion across the UK, where our target is for a total of over 350 outlets, and we plan to open 24 new outlets during the course of the next financial year. We will assess the results of both the new store in Holland and the MFI concessions to determine our future strategy in these two new areas.

BIG NEWS

We are confident that we are well positioned to continue to increase both our market share and profitability. Our history of strong financial performance and our ability to grow market share in an expanding market should enable us to grow significant shareholder value.



Stuart Williams, Chairman

Barry Bester, Chief Executive



THE BIG FOUR

Our success has been founded on four crucial cornerstones:

1. Customer Service

Customer service is a subject we take very seriously indeed. All staff attend an induction course at our very own training centre where they learn our friendly and helpful approach to customer service, along with product range and technical knowledge. Being able to offer correct advice and assistance is crucial to gaining customer confidence.

In-store, we have a wide range of services to help customers choose the right product and achieve the best results. Plus, our tailor-made decor service from our Leicester-based kiln firing facility allows us to offer a much wider variety of designs than our competitors.

For our customers' convenience, most of our stores trade 7 days-a-week from 8.00am to 6.00pm, with a number of larger stores open till 8.00pm.

2. Store Locations

Our stores in the main are not located on traditional high streets or retail parks, but in less expensive yet highly visible locations on or close to busy roads. Our average store size is around 6,000 square feet and virtually all have on-site parking areas.

3. Stock Availability

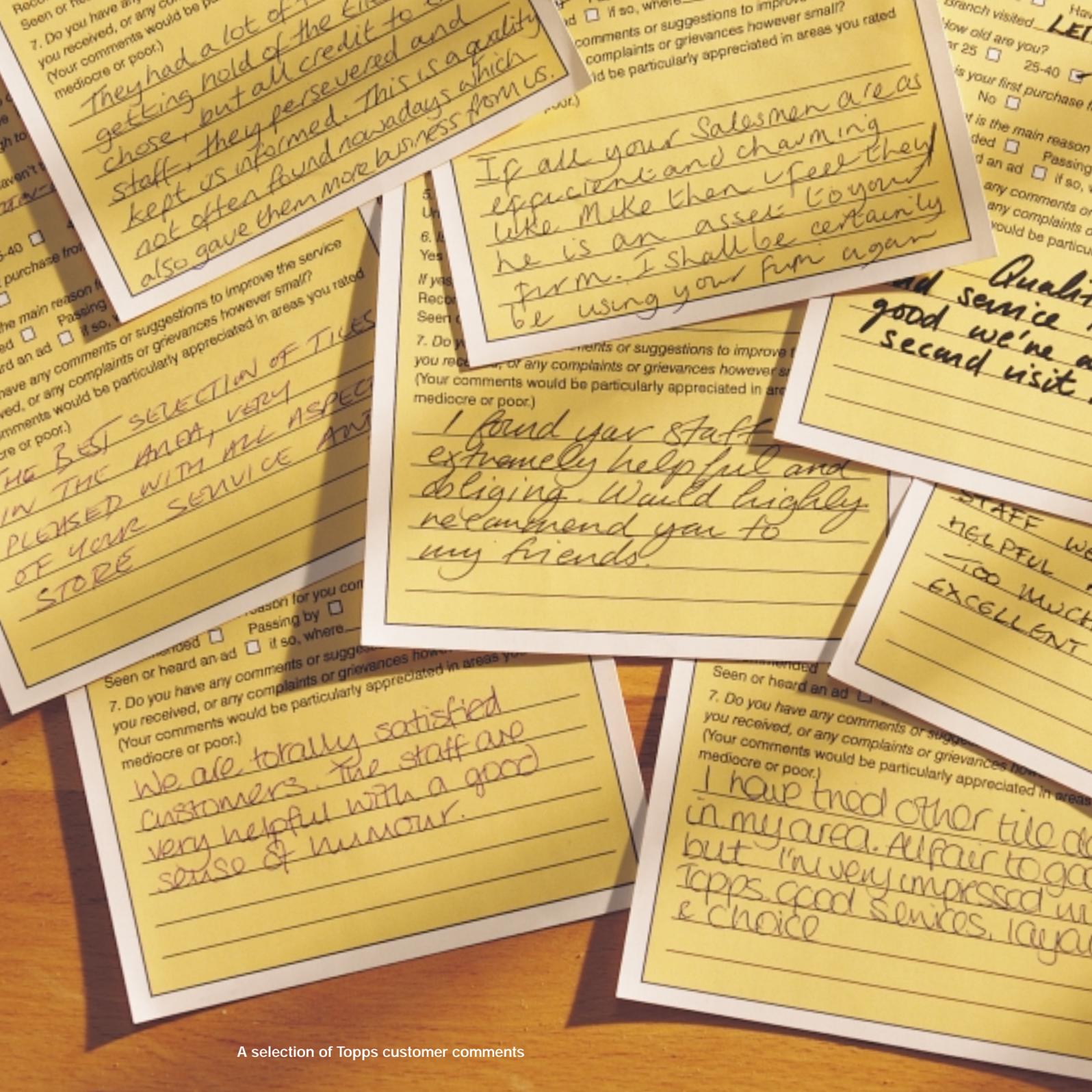
Each store has a huge number of lines in stock, with replenishments arriving twice a week from our central warehouses. 80% of our products are imported directly from factories in Spain, Italy, Portugal and other countries around the world. Long-standing relationships with our suppliers, ensure we maintain good stock availability.

4. Store Layout

All stores are clearly identified with bright, eye-catching exterior signage bearing the Topps Tiles or Tile Clearing House branding. Store interiors are laid out in a mini-warehouse style with a huge choice of products merchandised with colourful displays and informative point-of-sale.

The stores are customer-friendly with product and pricing information clearly displayed.





7. Do you have any comments or suggestions to improve the service you received, or any complaints or grievances however small? (Your comments would be particularly appreciated in areas you rated mediocre or poor.)
They had a lot of staff, but all persevered and chose, they persevered and kept us informed. This is a quality not often found nowadays which also gave them more business from us.

If all your Salesmen are as efficient and charming like Mike then I feel they he is an asset to your firm. I shall be certainly be using your firm again

Quality
good service
second we're a
second visit.

THE BEST SELECTION OF TILES IN THE AREA, VERY PLEASED WITH ALL ASPECTS OF YOUR SERVICE AND STORE

I found your staff extremely helpful and obliging. Would highly recommend you to my friends.

STAFF VERY HELPFUL & TOO MUCH EXCELLENT

7. Do you have any comments or suggestions to improve the service you received, or any complaints or grievances however small? (Your comments would be particularly appreciated in areas you rated mediocre or poor.)
We are totally satisfied customers. The staff are very helpful with a good sense of humour.

7. Do you have any comments or suggestions to improve the service you received, or any complaints or grievances however small? (Your comments would be particularly appreciated in areas you rated mediocre or poor.)
I have tried other tile dealers in my area. All fair to go but I'm very impressed with Topps. Good services, layout & choice

A selection of Topps customer comments

Traditionally, the UK has had a very low usage per capita of ceramic tiles compared to our European neighbours. This trend is now changing with tiles becoming more popular.

The reason for the continued growth in the market can be attributed to many things, including an increase in travel to countries such as Spain, Italy and Germany where usage of tiles is up to 6 times greater per individual. The growing number of home-improvement programmes on TV, such as 'Changing Rooms' have also created a great deal of interest in our products.

We have now used that very same medium to promote Topps' brand values to more consumers than ever before. A distinctive 10-second TV commercial featuring our famous 'tile man' ran in the Granada region covering all our north-west stores.

This was in addition to a major sponsorship initiative, which saw Topps linked to a home makeover slot on the daytime ITV network favourite 'This Morning', featuring Richard and Judy. This considerable investment has reaped rewards in vastly increased brand awareness and footfall.



BIG IDEAS



PHILIPS

RED HOT OFFERS



NEW RANGE JUST IN!



W. I. G. I. G.





A BIG HIT

Tile Clearing House has become a tile brand in its own right, targeted at a different sector of the market to Topps. Its customers in the main are jobbing builders, small contractors and bulk purchasers. It offers a smaller separate product range including end of lines, discontinued and job lots, but with greater stock levels.

Tile Clearing House stores operate from less prominent locations than Topps, mainly in trade areas, but where the two brands trade next to each other, both perform well. In 2001, the number of stores increased from 18 to 26.

Tile Clearing House will continue to benefit from strong advertising campaigns, dominating the local press titles.



BIG IN THE COMMUNITY

We have a policy of building local brand awareness of Topps Tiles and Tile Clearing House through involvement with young people.

Probably our most well-known community project is our youth sports sponsorship. Providing new kits and equipment to juniors in each town where we have a presence, has made Topps Tiles one of the biggest supporters of youth football in Britain.



As well as sport, there's education. Via our quarterly product catalogue, schools can win valuable computer equipment. Since the scheme started, a number of schools have benefited nationwide.

Another worthy cause is the National Asthma Campaign (NAC). This is our third year of support for the charity, which aims to conquer this respiratory disorder affecting over 1 million children in the UK. The NAC was the natural choice of charity for Topps to adopt, as our products help to reduce the levels of house dust mites which are one of the triggers of asthma attacks. In addition to a cheque for £8,000 donated by Topps, our staff contributed greatly to the cause this year by holding sponsored events which raised a considerable sum.



Gary Cutts, Project Director, presents Fred Cox, aged 8 and his school Berkswell Primary School, Coventry with brand new computer equipment.



**Topps
Tiles**

BIG OPPORTUNITIES

We are constantly looking for new ways to develop the business, without compromising on our principles of tight cost-management and the ability to maintain strong margins.

The ceramic tile market remains buoyant, increasing in value in 2000 to £351m at manufacturers' selling prices and is forecast to reach £431m in 2004*. Home improvements are more popular than ever before and DIY is the fastest growing major retail sector in the EU, with British consumers taking fourth place in the league table of DIY spend, behind the Danes, Finns and Germans.**

Adding a second WC has become more popular for many owners of older properties and en suite bathrooms are no longer regarded as a luxury. Both offer real opportunities

to increase tile sales, while demand for wood flooring is also flourishing.

The rooms where ceramic tiles are usually found has expanded from traditional 'wet areas' such as kitchens and bathrooms, and now includes halls, cloakrooms and conservatories. As well as the aesthetic appeal of tiles, consumers are realising that they are probably the most cost-effective wall or floor covering available.

Fashionable, with a long design life, low maintenance and more hygienic than traditional floor coverings, ceramic tiles and wood flooring certainly add value to homes. And as the demand for them grows, Topps Tiles and Tile Clearing House will be well placed to take advantage of this increased demand in the future.

*Source: AMA Research Market Report 2000

**Source: Verdict Report 2001





Stuart Williams F.C.A. Chairman (aged 57)

Secretary of Audit Committee

Stuart Williams, a Chartered Accountant, was a founder shareholder and Director of Topps Tiles in 1984. He became Executive Deputy Chairman and shareholder of Multi-Tile in 1987 with responsibility for restructuring the company and introducing turnover and profits-related incentive schemes. His principal responsibilities are those of Group Strategy, property and legal matters. In addition, he is editor of the company's in-house magazine and is responsible for the suggestion scheme.

Barry Bester Chief Executive (aged 44)

Barry Bester was a founder shareholder and Director of Topps Tiles in 1984. As Chief Executive he has overall responsibility for the day-to-day operations of the business, with particular emphasis on sales and store management. He is also responsible for new business development.

Nicholas Ounstead Customer Services and Marketing Director (aged 40)

Nicholas Ounstead 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 including Topps Tiles. He is responsible for customer service training and product marketing as well as Chairman of the Health and Safety Committee.

Andrew Liggett F.C.M.A. Finance Director (aged 39)

Andrew Liggett joined Topps Tiles in 1995 as Finance Director. Prior to joining the Group, he worked for Gold Crown Group Limited where he was employed for 10 years, initially as a management accountant and then as Finance Director. He is responsible for the accounting, financial control, company secretarial matters, treasury and administration.

Alan McIntosh C.A.

Senior Non-Executive Director (aged 33)

Chairman of Audit Committee

Alan McIntosh qualified as a Chartered Accountant with Deloitte and Touche and subsequently joined the corporate finance department of Hill Samuel. He is currently the Finance Director of Punch Group Ltd, the largest independent pub company in the UK. He is also a Director of Wellington Pub Company Plc and Chairman of the technology group e-xentric Plc. He joined the board of Topps Tiles in 1997.



Victor Watson C.B.E. Non-Executive Director (aged 72)

Member of Audit Committee

Victor Watson is Chairman of Black i Limited and Chairman of Business Link Leeds Ltd. He is also the former Chairman of Waddington Plc. He joined the board of Topps Tiles in 1997.



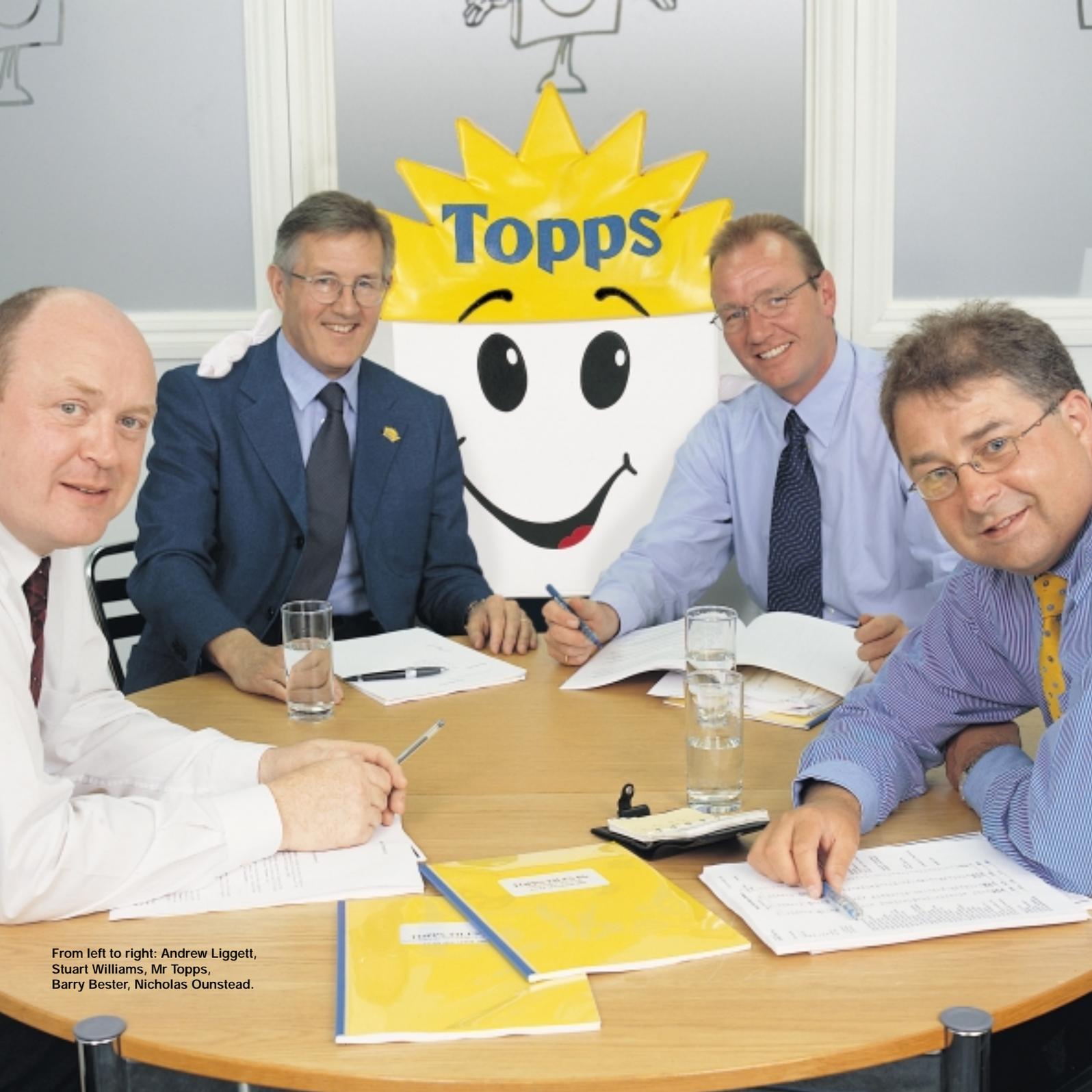
Rt Hon Michael Jack Privy Councillor, MP

Non-Executive Director (aged 55)

Member of Audit Committee

Michael Jack's business career has seen him in management capacities with Proctor & Gamble and Marks & Spencer. In 1987 he became MP for Fylde and by 1990 had begun a ministerial career that saw him serve in the DSS, Home Office, MAFF and finally the Treasury as Financial Secretary. Since that time he has maintained strong business links via his consultancy work. He joined the board of Topps Tiles in 1999.





From left to right: Andrew Liggett,
Stuart Williams, Mr Topps,
Barry Bester, Nicholas Ounstead.

DIRECTORS & ADVISORS

DIRECTORS

S.K.M. Williams F.C.A. *Chairman*

B.F.J. Bester *Chief Executive*

A. Liggett F.C.M.A. *Finance Director*

N.D. Ounstead *Customer Services and Marketing Director*

W.A. McIntosh C.A. *Senior Non-Executive Director*

V.H. Watson C.B.E. *Non-Executive Director*

The RT. Hon. J.M. Jack, Privy Counsellor, MP *Non-Executive Director*

SECRETARY

A. Liggett F.C.M.A.

REGISTERED NUMBER

3213782

REGISTERED OFFICE

Rushworth House

Wilmslow Road

Handforth

Cheshire

SK9 3HJ

AUDITORS

Arthur Andersen

Bank House

9 Charlotte Street

Manchester M1 4EU

BANKERS

HSBC Bank Plc

56 Queen Street

Cardiff CF1 4PX

REGISTRARS

Capita IRG Plc

Balfour House

390 - 398 High Road

Ilford

Essex IG1 1BR

SOLICITORS

TLT Solicitors

Bush House

72 Prince Street

Bristol BS99 7JZ

Sinclair Abson Smith

30 Greek Street

Bank House

Stockport SK3 8AD

STOCKBROKERS

SG Securities (London) Limited

Exchange House

Primrose Street

Broadgate

London EC2A 2DD

DIRECTORS' REPORT

for the period ended 2 June 2001

The directors present their report on the affairs of the Group, together with the accounts and auditors' report, for the period ended 2 June 2001.

Principal activity and business review

The principal activity of the Group comprises the retail and wholesale distribution of ceramic tiles, wood flooring and related products. Details of the Group's performance during the period and expected future developments are contained in the Joint Statement by the Chairman and Chief Executive on pages 4 to 5 of the report and accounts.

Results and dividends

The audited accounts for the period ended 2 June 2001 are set out on pages 25 to 50. The Group's profit for the period, after taxation was £6,547,000.

An interim dividend of 1.15 pence per share (£515,000) was paid on 28 February 2001.

The directors recommend a final dividend of 3.85 pence per share (£1,725,000) making a total of £2,240,000 for the period ended 2 June 2001. Subject to approval by the shareholders at the Annual General Meeting to be held on 11 September 2001, the final dividend will be paid on 1 October 2001 to shareholders on the register at the close of business on 7 September 2001.

Directors

The directors of the Company are as follows:

S.K.M. Williams	<i>Chairman</i>
B.F.J. Bester	<i>Chief Executive</i>
A. Liggett	<i>Finance Director</i>
N.D. Ounstead	<i>Customer Services & Marketing Director</i>
W.A. McIntosh	<i>Senior Non-Executive Director</i>
V.H. Watson	<i>Non-Executive Director</i>
J.M. Jack	<i>Non-Executive Director</i>

Their interests in the shares of the Company are set out in note 4(c) to the accounts.

Share capital

Details of the Company's authorised and issued share capital are shown in note 19 to the accounts.

Supplier payment policy

The Group's policy is to settle 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 creditors at the period end represented 66 days purchases (2000 - 80 days).

Charitable and political contributions

During the period the Group made charitable donations of £50,000 to "Help a London Child Charity" and £8,000 to "The National Asthma Campaign". The Group made no political contributions.

Substantial shareholdings

In addition to the directors' shareholdings noted on page 32, on 2 June 2001 the Company had been notified, in accordance with Sections 198 to 208 of the Companies Act 1985, of the following interests in 3% or more of its issued share capital.

	Number	% held
Chase Nominees Limited <i>(including Client account)</i>	5,803,700	13.0%
Littledown Nominees Limited	3,580,000	8.0%
HSBC Global Custody Nominee (UK) Limited	3,251,514	7.3%
Stanlife Nominees Limited	3,198,293	7.1%
RBSTB Nominees Limited	2,503,961	5.6%
Arnold and S. Bleichroeder	2,256,313	5.0%

DIRECTORS' REPORT

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.

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.

During the period, the Company has introduced a further employee Sharesave Scheme. The directors intend to introduce another Sharesave Scheme in the new financial period.

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing period.

By order of the Board,
A. Liggett, Secretary

17 August 2001

Rushworth House
Wilmslow Road
Handforth
Cheshire
SK9 3HJ

CORPORATE GOVERNANCE STATEMENT

In June 1998 the Hampel Committee and the London Stock Exchange published the Combined Code on corporate governance. This combines the Cadbury Code on corporate governance, the Greenbury Code on directors' remuneration and new requirements arising from the findings of the Hampel Committee.

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 Combined Code except for code provisions A1.2, A1.3, A5.1 and A6.1. The board considers this non-compliance with the Combined Code to be justified in view of the size of the Group and in this respect supports the recommendations of the City Group for smaller companies. The Company complies with all other provisions of the code.

Code Provision D.3.1 requires the members of the audit committee to be named in the report and accounts. Mr. W.A. McIntosh (Chairman), Mr. V.H. Watson and Mr. J.M. Jack have served on the committee throughout the period.

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.

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.

Maintenance of a sound system of internal control

The board has applied Principle D.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 in place from the start of the year to the date of the approval of this report and which is in accordance with Internal Control: Guidance for Directors on the Combined Code published in September 1999. 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 D.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 purpose 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.

REMUNERATION REPORT

for the period ended 2 June 2001

As well as complying with the provisions of the Code as disclosed in the Company's Corporate Governance Statements, the Company has applied the Principles of Good Governance relating to directors' remuneration as described below.

Remuneration committee

The remuneration committee is comprised solely of the three independent non-executive directors.

Statement of remuneration policy and details of remuneration

The Company's policy on executive director remuneration is as follows:

The remuneration of executive directors is determined by the remuneration committee, whose aim is to reward executive directors competitively. The emoluments of directors comprise a basic salary, executive share options and normal employment benefits including corporate contributions towards a pension entitlement.

The remuneration of non-executive directors is determined by the board as a whole, based on outside advice and review of current practices in other companies.

Pensions

The details of the corporate pension arrangements are explained in note 23(b).

Service contracts

New service contracts have been entered into by the executive directors on 1 June 2001 for a period of 12 months.

Share incentives

Prior to flotation the Group did not have any form of approved or unapproved executive share incentive arrangements. The share option scheme comprises two parts, the Topps Tiles Plc approved Executive Share Option Scheme and the Topps Tiles Plc unapproved Executive Share Option Scheme. The scheme is administered and the grant of options supervised by the remuneration committee. The exercise of options will normally be conditional on the achievement of a specified performance target determined by the remuneration committee, who will have regard to guidelines on share option schemes issued by institutional investors.

Options may normally only be granted within 42 days of the announcement by the Company of its interim or final results each period, with the exercise price being not less than the middle market quotation averaged over the three dealing days immediately preceding the date of the grant.

Full details of the remuneration packages of individual directors and information on share options are set out in note 4(b) and 4(d) to the accounts.

DIRECTORS' RESPONSIBILITIES

Accounts, including adoption of going concern basis

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Group for that period.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

In preparing the accounts the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

Other matters

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

Independent Auditors' Report to the Shareholders of Topps Tiles Plc:

We have audited the accounts of Topps Tiles Plc for the period ended 2 June 2001 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related Notes numbered 1 to 23. These accounts have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the accounts in accordance with applicable law and United Kingdom accounting standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards and the Listing Rules of the Financial Services Authority.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding directors' remuneration and transactions with the Company and other members of the Group is not disclosed.

We review whether the Corporate Governance Statement reflects the Company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the board's statements on internal control covers all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report, including the Corporate Governance Statement, and consider whether it is consistent with the audited accounts. This other

information comprises only the Directors' Report, the Joint Statement by the Chairman and Chief Executive and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the Company and of the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company and of the Group at 2 June 2001 and of the Group's profit and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen Chartered Accountants and Registered Auditors

Bank House
9 Charlotte Street
Manchester
M1 4EU
17 August 2001

CONSOLIDATED PROFIT & LOSS ACCOUNT

for the period ended 2 June 2001

	Note	2001 £'000	2000 £'000
Turnover	2	74,642	62,614
Cost of sales		(33,552)	(28,443)
Gross profit		41,090	34,171
Operating expenses	3		
- employee profit sharing		(2,266)	(1,959)
- other operating expenses		(29,187)	(23,963)
Operating profit before exceptional costs		9,637	8,935
- exceptional costs	5	-	(686)
Operating Profit		9,637	8,249
Interest receivable and similar income		84	17
Interest payable and similar charges	6	(307)	(248)
Profit on ordinary activities before taxation	7	9,414	8,018
Tax on profit on ordinary activities	8	(2,867)	(2,487)
Profit on ordinary activities after taxation		6,547	5,531
Dividends	9	(2,245)	(1,844)
Transfer to reserves	20	4,302	3,687
Earnings per ordinary share			
- basic	10	14.8p	13.1p
- basic adjusted	10	14.8p	14.2p
- diluted	10	14.6p	12.5p

There are no recognised gains or losses in either period other than the profit for that financial period.

A statement of movements on reserves is given in note 20.

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

BALANCE SHEETS

at 2 June 2001

		Group		Company	
	Notes	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Fixed assets					
Goodwill	11	302	320	-	-
Tangible assets	12	16,236	12,918	-	-
Investments	13	-	-	14,652	14,640
		16,538	13,238	14,652	14,640
Current assets					
Stocks		17,293	15,948	-	-
Debtors	14	4,678	2,945	6,613	2,751
Cash at bank and in hand		2,206	435	5,382	4,758
		24,177	19,328	11,995	7,509
Creditors: Amounts falling due within one year	15	(18,707)	(16,003)	(3,858)	(1,494)
Net current assets		5,470	3,325	8,137	6,015
Total assets less current liabilities		22,008	16,563	22,789	20,655
Creditors: Amounts falling due after more than one year	16	(2,446)	(2,716)	-	-
Provisions for liabilities and charges	18	(893)	(665)	-	-
Net assets		18,669	13,182	22,789	20,655
Capital and reserves					
Called-up share capital	19	5,601	5,309	5,601	5,309
Share premium	20	1,005	112	1,005	112
Merger reserve		(399)	(399)	-	-
Special reserve	20	-	-	14,917	14,917
Profit and loss account	20	12,462	8,160	1,266	317
Equity shareholders' funds		18,669	13,182	22,789	20,655

The accounts on pages 25 to 50 were approved by the board of directors on 17 August 2001 and signed on its behalf by:

S.K.M. Williams

B.F.J. Bester

Directors

17 August 2001

The accompanying notes are an integral part of these balance sheets.

CONSOLIDATED CASH FLOW STATEMENT

for the period ended 2 June 2001

	Notes	2001 £'000	2000 £'000
Net cash inflow from operating activities	22(a)	11,019	7,505
Returns on investments and servicing of finance	22(b)	(231)	(223)
Taxation		(2,849)	(1,754)
Capital expenditure	22(c)	(4,834)	(4,147)
Acquisition and disposals	22(d)	-	(219)
Equity dividends		(1,934)	(1,489)
Cash inflow (outflow) before financing		1,171	(327)
Financing	22(e)	600	52
Increase (decrease) in cash in the period	22(f)	1,771	(275)

The accompanying notes are an integral part of this consolidated cash flow statement.

NOTES TO THE ACCOUNTS

for the period ended 2 June 2001

1 Accounting policies

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

a) *Basis of accounting*

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) *Basis of consolidation*

The statutory Group profit and loss account and balance sheet consolidate the accounts of Topps Tiles Plc and its subsidiary undertakings made up to 2 June 2001. The accounts of Topalpha Limited have been consolidated using merger accounting principles. In all other cases subsidiary undertakings have been accounted for using acquisition accounting principles.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

No profit and loss account is presented for Topps Tiles Plc, as permitted by S230 of the Companies Act 1985. The Company's profit after tax for the period, determined in accordance with the Act, was £3,194,000 (2000 - £1,882,000).

c) *Financial periods*

The accounting period ends on the Saturday which falls closest to 31 May, resulting in financial periods of either 52 or 53 weeks.

d) *Goodwill*

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is twenty years. Provision is made for any impairment.

Goodwill arising on acquisitions in the period ended 30 May 1998 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

e) *Turnover*

Turnover comprises the net amount receivable in respect of sales during the period to third parties and excludes value added tax.

NOTES TO THE ACCOUNTS

1 Accounting policies (continued)

f) *Tangible fixed assets*

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Costs, are only those costs, that are directly attributable to bringing the asset into working condition for its intended use. Depreciation is provided to write off the cost of tangible assets over their estimated useful lives as follows:

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

g) *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost includes materials and an attributable proportion of distribution overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

h) *Taxation*

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced.

i) *Foreign currency*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction, or if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, or if appropriate at the forward contract rate.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

j) *Leases*

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

NOTES TO THE ACCOUNTS

1 Accounting policies (continued)

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

k) Investments

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

l) Pension costs

For defined contribution schemes the amount charged to the profit and loss account 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.

m) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

For a forward foreign exchange contract to be treated as a hedge, the instrument must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign currency exchange movements on the Group's operations. Gains and losses arising on these contracts are deferred and recognised in the profit and loss account, only when the hedged transaction has itself been reflected in the Group's accounts.

If an instrument ceases to be accounted for as a hedge, for example, because the underlying hedged position is eliminated, the instrument is marked to market and any resulting profit or loss recognised at that time.

n) Finance costs

Finance costs of debt are recognised in the profit and loss account over the term at a constant rate on the carrying amount.

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.

NOTES TO THE ACCOUNTS

2 Turnover

Turnover and profit before taxation are attributable to one activity, the retail and wholesale distribution of ceramic tiles, wood flooring and related products, and arise within the UK.

3 Operating expenses	2001	2000
	£'000	£'000
Distribution costs	23,545	18,600
Administrative expenses	5,642	5,363
Employee profit sharing	2,266	1,959
	31,453	25,922

Included in operating expenses for the period ended 3 June 2000 are exceptional costs of £686,000 (see note 5)

4 Staff costs

a) Staff costs

Particulars of employees (including directors) are as shown below:

	2001	2000
	£'000	£'000
Employee costs during the period amounted to:		
Wages and salaries	12,741	8,793
Social security costs	1,169	915
Other pension costs (note 23b)	129	200
	14,039	9,908

The average monthly number of persons employed by the Group during the period was as follows:

	2001	2000
	Number	Number
	employed	employed
Selling	800	657
Administration	141	122
	941	779

NOTES TO THE ACCOUNTS

4 Staff costs (continued)

b) Directors emoluments

The emoluments of the directors of the Company are as follows:

	Fees	Basic salary	Taxable benefits	Money purchase pension contributions	Total 2001	Total 2000
	£'000	£'000	£'000	£'000	£'000	£'000
Executive						
S.K.M. Williams	-	120	18	-	138	124
B.F.J. Bester	-	140	13	6	159	134
A. Liggett	-	120	13	5	138	121
N.D. Ounstead	-	90	10	4	104	93
Non-executive						
W.A. McIntosh	15	-	-	-	15	15
V.H. Watson	15	-	-	-	15	15
J.M. Jack	-	15	-	-	15	15
Aggregate emoluments	30	485	54	15	584	517

c) Directors' interests

The directors had the following interests in the shares of the Company:

	2001 Ordinary shares of 12.5p each	2000 Ordinary shares of 12.5p each
S.K.M. Williams	5,577,720	5,827,720
B.F.J. Bester	5,757,720	5,757,720
A. Liggett	500,300	500,300
N.D. Ounstead	98,700	98,700
W.A. McIntosh	467,000	467,000
V.H. Watson	37,200	40,000
J.M. Jack	3,000	3,000

NOTES TO THE ACCOUNTS

4 Staff costs (continued)

d) Directors share options

Details of directors' share options are as follows:

	At 3rd June 2000	Granted	Exercised	At 2nd June 2001	Exercise price	Market price at date of exercise	Option exercisable from	Expiry date
Executive								
S.K.M. Williams	210,000	-	(210,000)	-	50p	297.5p	-	-
B.F.J. Bester	600,000	-	(600,000)	-	50p	297.5p	-	-
A. Liggett	420,000	-	(420,000)	-	50p	297.5p	-	-
A. Liggett	-	300,000	-	300,000	301p	-	06/09/03	05/09/07
N.D. Ounstead	280,000	-	(280,000)	-	50p	297.5p	-	-
N.D. Ounstead	-	225,000	-	225,000	301p	-	06/09/03	05/09/07
Non-executive								
W.A. McIntosh	600,000	-	(600,000)	-	50p	297.5p	-	-

No options lapsed during the year. The market price of the Company's shares at the end of the period was 329.5p per share and ranged during the period from 246.0p to 350.5p per share.

There have been no changes in the directors' interests in share options subsequent to the end of the period.

NOTES TO THE ACCOUNTS

5 Exceptional costs

	2001	2000
	£'000	£'000
Discontinued activities	-	431
Tile City stock acquisition costs	-	255
	-	686

During the period ended 3 June 2000 further bathroom areas were removed from existing Topps Tiles stores. The directors also took the decision to write off unsaleable stock, acquired from the receivers of 'Tile City', as part of the total stock purchased.

6 Interest payable

	2001	2000
	£'000	£'000
Bank loans and overdrafts	307	311
Finance leases and hire purchase contracts	14	8
Interest costs capitalised	(14)	(71)
	307	248

NOTES TO THE ACCOUNTS

7 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging (crediting):

	2001 £'000	2000 £'000
Depreciation and amounts written off tangible fixed assets		
- owned	1,435	1,070
- held under finance leases and hire purchase contracts	39	-
Amortisation of goodwill	18	12
Profit on disposal of tangible fixed assets	(344)	(243)
Operating lease rentals		
- other	6,657	5,405
- plant and machinery	391	260
Remuneration to auditors		
- audit services	35	32
- other services	20	22

NOTES TO THE ACCOUNTS

8 Tax on profit on ordinary activities

The tax charge comprises:

	2001	2000
	£'000	£'000
Corporation tax	2,639	2,117
Deferred taxation	228	370
	<u>2,867</u>	<u>2,487</u>

9 Dividends

	2001	2000
	£'000	£'000
Under provision in respect of 2000 final dividend	5	-
Interim paid 1.15p (2000 – 1.00p) per ordinary share	515	430
Final proposed 3.85p (2000 – 3.33p) per ordinary share	1,725	1,414
Total 5.00p (2000 – 4.33p) per ordinary share	<u>2,245</u>	<u>1,844</u>

NOTES TO THE ACCOUNTS

10 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 as follows:

	2001 Number of shares	2000 Number of shares
Weighted average number of shares:		
For basic earnings per share	44,218,175	42,363,163
Weighted average of shares under option	2,802,600	2,750,380
Number of shares that would have been issued at fair value	(2,219,604)	(729,129)
For diluted earnings per share	44,801,171	44,384,414

An adjusted earnings per share figure has been shown in order to achieve comparability period on period. The calculation uses the basic weighted average number of shares together with basic earnings adjusted to exclude the impact of exceptional items.

	Basic		Adjusted	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Profit on ordinary activities after tax	6,547	5,531	6,547	5,531
Exceptional items	-	-	-	686
Less notional tax	-	-	-	(206)
Profit attributable to equity shareholders	6,547	5,531	6,547	6,011

NOTES TO THE ACCOUNTS

11 Goodwill

	Total £'000
Cost	
Beginning and end of period	338
Depreciation	
Beginning of period	18
Charge for the period	18
End of period	36
Net book value	
Beginning of period	320
End of period	302

NOTES TO THE ACCOUNTS

12 Tangible fixed assets

	Land and buildings Freehold £'000	Short Leasehold £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost					
Beginning of period	3,563	1,023	9,742	259	14,587
Additions	1,341	70	3,720	260	5,391
Disposals	(502)	-	-	(202)	(704)
End of period	4,402	1,093	13,462	317	19,274
Depreciation					
Beginning of period	77	189	1,382	21	1,669
Charge	76	150	1,183	65	1,474
Disposals	(32)	-	-	(73)	(105)
End of period	121	339	2,565	13	3,038
Net book value					
Beginning of period	3,486	834	8,360	238	12,918
End of period	4,281	754	10,897	304	16,236

The net book value of tangible fixed assets includes £505,000 (2000 - £308,000) in respect of assets held under hire purchase contracts. Cumulative finance costs capitalised included in the cost of tangible fixed assets amount to £85,000 (2000 - £71,000).

NOTES TO THE ACCOUNTS

13 Fixed asset investments

	Company £'000
Beginning of period	14,640
Additions	12
End of period	14,652

During the year Topps Tiles Plc acquired 100% of the ordinary share capital of Topps Tiles Holland BV, an off the shelf Dutch company. Net assets of the company on acquisition were £12,000.

The principal subsidiary undertakings are as follows:

	% of issued shares held	Principal activity
Topalpha Limited	100%	Property development and investment
Multi-Tile Limited	100%	Retail and wholesale distribution of ceramic tiles, wood flooring and related products

With the exception of Topps Tiles Holland BV, all subsidiary undertakings are incorporated in Great Britain and are registered and operate in England and Wales. The investments are represented by ordinary shares.

NOTES TO THE ACCOUNTS

14 Debtors

	Group		Company	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Amounts falling due within one year:				
Trade debtors	619	547	-	-
Amounts owed by subsidiary undertaking	-	-	6,586	2,721
Other debtors	2,473	978	12	12
Prepayments and accrued income	1,586	1,420	15	18
	4,678	2,945	6,613	2,751

NOTES TO THE ACCOUNTS

15 Creditors: Amounts falling due within one year

	Group		Company	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Obligations under finance leases and hire purchase contracts	175	260	-	-
Bank loans and overdraft (note 17)	285	281	-	-
Trade creditors	10,799	10,317	19	32
Other creditors	3,235	1,093	2,083	-
Corporation tax	1,488	1,698	7	9
Proposed dividend	1,725	1,414	1,725	1,414
Accruals and deferred income	1,000	940	24	39
	18,707	16,003	3,858	1,494

16 Creditors: Amounts falling due after more than one year

	Group	
	2001 £'000	2000 £'000
Obligations under finance leases and hire purchase contracts	9	15
Bank loan	2,437	2,701
	2,446	2,716

The maturity profile of the Group's loans, finance leases and hire purchase contracts is presented in note 17.

17 Derivatives and other financial instruments

The Group holds financial instruments to finance its operations, and to manage interest rate and currency risks arising from its operations.

Consequently the main risks arising from the Group's operations are liquidity risk, interest rate risk and currency risk.

Liquidity risk

The Group's objective is to maintain continuity of funding through the use of retained profits and medium to long term borrowings. The maturity profile of the Group's borrowings are detailed in section (c) of this note.

Interest rate risk

The Group's objective is to manage the exposure to interest rate fluctuations whilst trying to minimise the cost of capital of the Group. Given the recent underlying downward trend in long term interest rates, the board has chosen not to adopt any fixed rates, as it believes that interest rates will continue to fall in the foreseeable future.

Currency risk

The Group has transactional currency exposures which arise from purchases by subsidiary undertakings in currencies other than the functional currency of the Group. The Group's policy is to periodically use forward contracts to hedge those transactions to eliminate any significant currency exposure. The frequency and amount hedged is decided by the board and depends upon the magnitude of the exposure and volatility of the currency involved.

The numerical disclosures in this note deal with financial assets and financial liabilities as defined in Financial Reporting Standard 13 "Derivatives and other financial instruments: Disclosures" (FRS 13). Certain financial assets such as investments in subsidiary and associated companies are also excluded from the scope of these disclosures.

As permitted by FRS 13, short term debtors and creditors have been excluded from the disclosures, other than the currency disclosures.

NOTES TO THE ACCOUNTS

17 Derivatives and other financial instruments (continued)

a) Interest rate profile

The Group has no financial assets other than sterling cash deposits of £2,206,000 (2000 - £435,000) which are part of the financing arrangements of the Group. The sterling cash deposits comprise deposits placed on money market at call.

The interest rate profile of the Group's financial liabilities is as follows:

	Floating rate			
	2001		2000	
	£'000	%	£'000	%
Sterling - Borrowings				
Loan 1	627,000	1.0	765,000	1.5
Loan 2	324,000	1.0	390,000	1.5
Loan 3	1,771,000	1.5	1,827,000	1.5
Total	2,722,000		2,982,000	

The interest rate on floating rate financial liabilities indicates the excess over bank base rate.

Loans 1 and 2 are secured by fixed charges over the Group's leasehold property and by floating charges over all other assets of the Group.

Loan 3 is secured by a legal mortgage over the freehold properties and the goodwill of the business.

b) Currency exposures

The table below shows the Group's currency exposures; in other words, those transactional exposures that give rise to the net currency gains and losses recognised in the profit and loss account. Such exposures comprise monetary liabilities of the Group that are not denominated in the "functional" currency of the Group. As at 2 June 2001 these exposures were as follows:

Functional currency of the Group:	Net foreign currency monetary liabilities	
	2001	2000
	Euro	Euro
	£'000	£'000
Sterling	104	109

The amounts shown in the tables above take into account the effect of forward contracts entered into to manage these currency exposures.

NOTES TO THE ACCOUNTS

17 Derivatives and other financial instruments (continued)

c) Maturity of financial liabilities

The maturity profile of the Group's financial liabilities was as follows:

	Hire purchase contracts	Loans	Total	Total
	2001	2001	2001	2000
	£'000	£'000	£'000	£'000
In one year or less	175	285	460	541
In more than one year but not more than two years	9	292	301	287
In more than two years but not more than five years	-	849	849	917
In more than five years	-	1,296	1,296	1,512
Total	184	2,722	2,906	3,257

d) Borrowing facilities

The Group had undrawn committed borrowing facilities, in respect of which all conditions precedent had been met, as follows:

	2001	2000
	£	£
Expiring in one year or less	9,331	3,039
Expiring in more than one year but not more than two years	-	-
Expiring in more than two years	730	673
Total	10,061	3,712

e) Fair values

There is no material difference between the fair value and book value of the Group's financial assets and liabilities at 2 June 2001.

NOTES TO THE ACCOUNTS

18 Provisions for liabilities and charges

	Group	
	2001	2000
	£'000	£'000
<i>Deferred taxation</i>		
Beginning of period	665	295
Charged to profit and loss account	228	370
End of period	893	665

The deferred taxation represents full provision for the excess of the allowances over book depreciation of fixed assets.

19 Called-up share capital

	Number of shares	2001 £'000	Number of shares	2000 £'000
Ordinary shares of 12.5p each				
<i>Authorised</i>				
Beginning and end of period	56,600,000	7,075	56,600,000	7,075
<i>Allotted, called-up and fully-paid</i>				
Beginning of period	42,476,258	5,309	42,114,175	5,264
Issue in period	2,328,760	292	362,083	45
End of period	44,805,018	5,601	42,476,258	5,309

During the period the Company allotted 2,328,760 (2000 - 362,083) ordinary shares with a nominal value of £292,000 (2000 - £45,000) under share option schemes for an aggregate cash consideration of £1,196,000 (2000 - £180,000).

NOTES TO THE ACCOUNTS

20 Reserves Group

	Share Premium £'000	Profit and loss account £'000
Beginning of period	112	8,160
Premium on issue of new shares	904	-
Share issue expenses	(11)	-
Retained profit for the period	-	4,302
End of period	1,005	12,462

Company

	Special reserve £'000	Share premium £'000	Profit and loss account £'000
Beginning of period	14,917	112	317
Premium on issue of new shares	-	904	-
Share issue expenses	-	(11)	-
Retained profit for the period	-	-	949
End of period	14,917	1,005	1,266

21 Reconciliation of movements in Group equity shareholders' funds

	2001 £'000	2000 £'000
Profit for the period	6,547	5,531
Dividends paid and proposed	(2,245)	(1,844)
Issue of shares (net of expenses)	1,185	157
Net addition to shareholders' funds	5,487	3,844
Opening equity shareholders' funds	13,182	9,338
Closing equity shareholders' funds	18,669	13,182

NOTES TO THE ACCOUNTS

22a) Reconciliation of operating profit to operating cash flows

	2001	2000
	£'000	£'000
Operating profit	9,637	8,249
Depreciation	1,474	1,070
Profit on disposal of fixed assets	(344)	(463)
Goodwill amortisation	18	12
Increase in stocks	(1,345)	(2,663)
Increase in debtors	(1,113)	(1,006)
Increase in creditors	2,692	2,306
Net cash inflow from operating activities	11,019	7,505

Included within net cash inflow from operating activities is an exceptional cash receipt of £2,083,000 (2000 – £Nil) which represents amounts remitted by the directors in respect of PAYE liabilities to be settled in the next financial period.

22b) Returns on investments and servicing of finance

	2001	2000
	£'000	£'000
Interest received	84	17
Interest paid	(315)	(303)
Interest element of hire purchase rentals	(14)	(8)
Interest capitalised	14	71
Net cash outflow from returns on investments and servicing of finance	(231)	(223)

22c) Capital expenditure

	2001	2000
	£'000	£'000
Purchase of tangible fixed assets	(5,157)	(5,969)
Sale proceeds of tangible fixed assets	323	1,822
Net cash outflow from capital expenditure	(4,834)	(4,147)

NOTES TO THE ACCOUNTS

22d) Acquisitions and disposals

	2001 £'000	2000 £'000
Acquisitions	-	(219)

22e) Financing

	2001 £'000	2000 £'000
Proceeds from issue of ordinary share capital	1,196	180
Expenses in connection with issue of share capital	(11)	(23)
New loans	603	762
Repayment of loans	(863)	(762)
Capital element of hire purchase rentals	(325)	(105)
Net cash inflow from financing	600	52

22f) Analysis and reconciliation of net debt

	2000 £'000	Cash flow £'000	Other non-cash changes £'000	2001 £'000
Cash in hand and at bank	435	1,771	-	2,206
Debt due within 1 year	(281)	(4)	-	(285)
Debt due after 1 year	(2,701)	264	-	(2,437)
Finance leases	(275)	325	(234)	(184)
Net debt	(2,822)	2,356	(234)	(700)

	2001 £'000	2000 £'000
Increase (decrease) in cash in the period	1,771	(275)
Cash outflow from decrease in debt and finance leasing	585	105
Change in net debt resulting from cashflows	2,356	(170)
New finance leases	(234)	(308)
Movements in net debt in the period	2,122	(478)
Net debt at start of period	(2,822)	(2,344)
Net debt at end of period	(700)	(2,822)

NOTES TO THE ACCOUNTS

23 Financial commitments

a) Capital commitments

At the end of the period there were no capital commitments contracted for but not provided for (2000 - £nil)

b) Pension arrangements

The Group operates separate defined contribution pension schemes for employees and directors. 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 £129,000 (2000 - £200,000).

The Group wound up its defined benefits pension scheme on 16 May 2001 and has no further liability to the scheme.

c) Lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2001		2000	
	Property £'000	Other £'000	Property £'000	Other £'000
Operating leases which expire:				
- within 1 year	779	92	190	60
- within 2 - 5 years	1,478	303	1,181	157
- after 5 years	4,599	16	4,490	15
	6,856	411	5,861	232

During the period the Company received £400,000 (2000 - £220,000) as landlords contributions towards relocation costs.

FOUR YEAR RECORD

	1998	1999	2000	2001
	£'000	£'000	£'000	£'000
Turnover	31,274	42,996	62,614	74,642
Operating profit	4,282	6,091	8,249	9,637
Profit before taxation	4,127	5,828	8,018	9,414
Shareholders' funds	4,166	9,338	13,182	18,669
Basic earnings per share ¹	7.1p	9.9p	13.1p	14.8p
Adjusted basic earnings per share ¹	7.1p	9.9p	14.2p	14.8p
Dividend per share ¹	2.4	3.2	4.3	5.0
Dividend cover	3.0	3.0	3.0	2.9
Average number of employees	397	585	779	941
Share price (period end) ¹	193p	212p	271p	330p

Notes

1. Adjusted for subdivision of share capital.

NOTICE OF ANNUAL GENERAL MEETING

for the period ended 2 June 2001

Notice is given that the annual general meeting of Topps Tiles Plc will be held at Topps Tiles Plc, Unit D, Mortimer Road Industrial Estate, Narborough, Leicester LE9 5GA on 11 September 2001 at 10.30 am for the following purposes:

Ordinary business

- 1 To receive the accounts for the period ended 2 June 2001 and reports of the directors and auditors on them.
- 2 To declare a final dividend on the ordinary share capital of the Company.
- 3 To re-appoint Arthur Andersen as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company at a remuneration to be fixed by the directors.
- 4 To re-elect Alan McIntosh as a director.
- 5 To re-elect Victor Watson as a director.

Special business

To consider and, if thought fit, to pass the following resolutions of which number 6 will be proposed as an ordinary resolution and number 7 as a special resolution.

- 6 For the purposes of section 80 of the Companies Act 1985 (the "Act"), the directors be generally and unconditionally authorised, in substitution for any existing authority to allot relevant securities (within the meaning of section 80 of the Act), to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £1,866,689 provided that this authority shall expire five years from the date of the passing of this resolution (unless previously revoked, varied or extended by the Company in general meeting), except that the Company may before the expiry of such period make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such period and the directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired.
- 7 The directors be empowered (pursuant to section 95 of the Act) to allot equity securities wholly for cash pursuant to the authority conferred on them by resolution 6 above as if section 89 (1) of the Act did not apply to any such allotment, provided that such power shall be limited to the allotment of equity securities.

7.1 in connection with a rights issue; and

NOTICE OF ANNUAL GENERAL MEETING

7.2 the allotment (otherwise than pursuant to sub-paragraph 7.1 above) of equity securities up to an aggregate nominal amount of £280,031

and shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 15 months after the date of the passing of this resolution (unless previously revoked, varied or extended by the Company in general meeting) except that the Company may before the expiry of any power contained in this resolution make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

In this resolution 7:

- a "rights issue" means an offer of equity securities open for acceptance for a period fixed by the directors to holders of ordinary shares on the register on a fixed record date in proportion to their respective holdings of such shares or in accordance with the rights attached to them (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or in relation to legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in any territory);
- b the nominal amount of any securities should be taken to be, in the case of a right to subscribe for or convert any securities into shares of the Company, the nominal amount of the shares which may be allotted pursuant to such right; and words or expressions defined in or for the purposes of sections 89-96 inclusive of the Act shall bear the same meanings.

By order of the Board
Andrew Liggett
Secretary
17 August 2001

Registered office:
Rushworth House
Wilmslow Road
Handforth
Cheshire SK9 3HJ
Registered No: 3213782

NOTICE OF ANNUAL GENERAL MEETING

Notes

- 1 Any member of the Company entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend and, on a poll, vote on his or her behalf. A proxy need not be a member of the Company. To be valid, a form of proxy, and any power or authority under which it is signed, must be lodged with the Company's registrars, Capita IRG Plc, Balfour House, 390/398 High Road, Ilford, Essex, IG1 1BR, no later than 48 hours before the time of the annual general meeting. A form of proxy is enclosed.
- 2 The completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person.
- 3 The following documents are available for inspection by members at the registered office of the Company on weekdays (except bank holidays) during normal business hours, and at the place of the meeting but not less than 15 minutes prior to and during the meeting:
 - 3.1 the register of directors' interests required to be kept under section 325 of the Act; and
 - 3.2 copies of the directors' service contracts.
- 4 The following is an explanation of the resolutions relating to special business;
 - 4.1 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 80 of the Act. Resolution 6 will be put to members as special business to authorise the directors to allot ordinary shares with a nominal value of £1,866,689 out of the Company's unissued share capital representing approximately 33.33 per cent of the Company's current issued share capital. The authority shall expire five years from the date of passing of this resolution.
 - 4.2 Resolution 7 will seek to obtain power under section 95 of the Act for the directors to allot for cash shares with an aggregate nominal value of £280,031 equal to approximately 5 per cent 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 employees' share option scheme, the proportionate interests of shareholders cannot, without their consent, be reduced by the issue for cash of new shares representing more than 5 per cent of the current issued share capital. Save for the issue of shares pursuant to options granted under the Company's employees' share option scheme, the directors have no present intention 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.

An Abdulkadir to Zoe of our Team

THE TEAM



Abdulkadir Abdi Kulmie

Adam Bauly
Adam Coates
Adam Hughes
Adam Ireland
Adam Laidlaw
Adam Lewis
Adam Lucas
Adam Mills
Adam Shewan
Adam Thompson
Adam Tilbury
Adrian Atkins
Adrian McCourt
Adrian Munday
Adrian Pickup
Adrian Wild
Aidan Ward
Aileen Crossley
Aimee Mallett
Aklakud Duha
Akommil Ali
Alan Brannigan
Alan Faulkner
Alan Harding
Alan Hudson
Alan Metcalfe
Alan Monk

Alan Parker
Alan Saunders
Alan Seal
Alan Sproston
Albert Neil
Alex Large
Alfred Asare
Alison Manning
Allan Chigariro
Allan Harper
Allison Alderson
Amanda Hardy
Amanda Hullett
Amin Ladhu
Ana Spedding
Andre Cherfan
Andrea Muccio
Andrew Anthony
Andrew Bradshaw
Andrew Carlisle
Andrew Clay
Andrew Collins
Andrew Creese
Andrew Curtis
Andrew Ditchburn
Andrew Endersby
Andrew Hanson

Andrew Hill
Andrew Jones
Andrew Keirle
Andrew Liggett
Andrew Massey
Andrew McLaren
Andrew Monks
Andrew Moore
Andrew Parnell
Andrew Press
Andrew Simpson
Andrew Smith
Andrew Ward
Andrew Waterfield
Andrew Williams
Angela Harrison
Angela Wiltshire
Anna Timney
Anne Lloyd
Anne McCabe
Anne Stevens
Annette Gorstridge
Annette Southon
Anouska Edge
Anthony Christopher
Anthony Cox
Anthony Eaton
Anthony Gilbert
Anthony Grimshaw
Anthony Houghton
Anthony Kerr
Anthony Linsell
Anthony Lloyd

Anthony Molyneux
Anthony Moulds
Anthony Murphy
Anthony Spurling
Antony Beazer
Antony Plant
Antony Zawadski
April Dunkley
Arnold Harrison
Ashley Cook
Ashley Jordan
Asvin Shah
Augustus Slater
Barbara Dormer
Barbara Edge
Barrie Taylor
Barry Bester
Barry Glazer
Barry Price
Barry Squires
Barry Stephen
Barry Tough
Basera Poselay
Ben Armitage
Ben Harrison
Benjamin Mills
Bernard Cope
Beverley Stokes
Brad Crosthwaite
Brant Wells
Brenda Bowles
Brendan Williams
Brendon Roberts

Brian Forde
Brian Jones
Brian Perrott
Brian Richards
Bruce Fielding
Bryan Hartley
Bryan Telfer
Byron Coles
Carina Lowe
Carl Bradbury
Carl Dicks
Carl Entwistle
Carl Fraser
Carl Sheppard
Carlos Rodriguez
Carol Sudlow
Carole Crofts
Caroline Bennett
Caroline May
Caroline Meadows
Cassandra Sides
Catherine Bailey
Chan Gokani
Charles Kent
Charlotte Shuttleworth
Chris Bain
Chris Cartey
Chris McGill
Chris Paddon
Chris Tate
Chris Tupper
Christine Glover
Christine Hendry

Christine Rea	Danny Gamble	David May	Edward Derbyshire	Geraldine Farrow
Christine Wadsworth	Danny Walden	David Mitchell	Edward Dove	Gerard Duffy
Christine Whiteman	Darrel Bester	David Needham	Edward Sellors	Gerard Mallon
Christopher Castle	Darren Carruthers	David Nelson	Edward Walker	Gerry Brown
Christopher Cooper	Darren Cawkwell	David Oliver	Elaine Thomline	Gerry West
Christopher Davis	Darren Connor	David Overton	Elizabeth Donovan	Gillian Beavan
Christopher Eastham	Darren Cooper	David Parr	Elizabeth Kelly	Gillian Grace
Christopher Lount	Darren Hall	David Peppiatt	Emin Demirkaya	Gillian Gray
Christopher Lupton	Darren Howlett	David Price	Emma Ashcombe	Glen Claridge
Christopher Metcalf	Darren Maddocks	David Savage	Emma Brookes	Glen Deefholts
Christopher Smith	Darren Nicholas	David Stott	Emma Casey	Glenis Shirley
Christopher Taylor	Darren Pritchard	David Stoughton	Emma Cunliffe	Glenn Jessop
Christopher Toneri	Darren Saker	David Strain	Emma Jarram	Glenn Madgin
Cindy Smith	Darren Simm	David Thomasson	Enid Lamb	Glenys Ogden
Claire Curtis	Darryn Walker	David Turne	Evan Hughes	Glyn Draycott
Claire White	David Asquith	David Walter	Evette Cherrington	Glyn Rogers
Clinton Quinn	David Austin	David Warrilow	Faith Askew	Gordon Dwyer
Clive Eades	David Bailey	David Williams	Fayyaz Ahmed	Gordon Kerr
Colin Butler	David Black	Dean Bennett	Fernando Muanza	Graham Chapman
Colin Crowley	David Borwick	Dean Brown	Fharook Mughal	Graham Keep
Colin Dixon	David Broadbent	Dean Holder	Flora Tuitt	Graham Leahy
Colin Hampson	David Canning	Dean Johnson	Frances Bloomfield	Graham White
Colin Hoban	David Carpenter	Dean Marshall	Francis McMillan	Greg Banos
Colin Markham	David Chapman	Dean Seagrave	Gary Anderson	Gregg Wall
Colin Offord	David Collyer	Dean Tassell	Gary Asher	Guy Wilcox
Colin Probert	David Daulton	Debbie Hynd	Gary Blair	Harry Broadbent
Colin Rymer	David Dunbar	Deborah Johnson	Gary Curtis	Harry Morris
Colin Wharton	David Edwards	Deborah White	Gary Cutts	Haydon Driscoll
Colin Winterburn	David Elloway	Deborah Williams	Gary Firth	Heath Maryson
Craig Fitzgerald	David Evans	Debra Davies	Gary Glasgow	Heather Blore
Craig Ollard	David Fitzgerald	Denis O'Brien	Gary Jordan	Helen Barker
Craig Tetlow	David French	Dennis Cragen	Gary McIntyre	Helen Bowen
Craig White	David Gridley	Derek Harrison	Gary Shouler	Helen Greatbatch
Crescent Baron	David Harper	Derek Lambourn	Gary Sowerby	Helen McDermott
Dale Hoy	David Hatton	Derek Parsons	Gary Thompson	Ian Beasley
Daniel Beaven	David Henderson	Derek Reynolds	Gavin Bennett	Ian Bloomfield
Daniel Beggs	David Hirst	Desmond Kelly	Gavin Dwyer	Ian Cullen
Daniel Fallows	David Hulme	Dexter Pratley	Gavin McGregor	Ian Jones
Daniel Freakley	David Kilgour	Dilawar Ali	Gavin Mitchell	Ian Macluskie
Daniel Jebbett	David Knapp	Dorren Hyatt	Gavin Ramsey	Ian Marshall
Daniel Jones	David Lalley	Dudley Land	Geoff Sutters	Ian McInteer
Daniel McAllister	David Lamb	Duncan Bull	Geoffrey Gordon	Ian McLean
Daniel Musguin	David Linwood	Dwayne Howard	Geoffrey Webster	Ian Pennington
Daniel Savva	David Lott	Dylan Roberts	Gerald Doddimeade	Ian Smith
Danny Fennings	David Macartney	Edmund Smith	Gerald Lazaro	Ian Winterburn

Ian Young	Jason Morley	Jonathan Martin	Kerry Hume	Linda Hadley
Ilona Logan	Jason Naga	Jonathon Perkins	Kerry McAulay	Lisa Sheppard
Imran Ashraf	Jason Rigby	Jonathan Roberts	Kevan Richardson	Lisa Walker
Ivan Frampton	Jason Smith	Jonathon Sheerin	Kevin Croft	Lois Reade
Ivar Jensen	Javeed Parkar	Josephine Hilldrup	Kevin Furse	Loretta Daley
Jackie Acres	Jayawthe Weerasinge	Joyce Davies	Kevin Gallagher	Lorna Ballantyne
Jacqueline Byrne	Jayesh Dhokia	Judy Prescott	Kevin Hayes	Lorretta Mitchell
Jacqueline Macgillivrah	Jayne De Gruchy	Juginder Gill	Kevin Hodson	Louis McEvilly
James Bayes	Jenny Seabrook	Juile Moorhead	Kevin Mottram	Louise Ashley
James Bott	Jeremy Harris	Julian Lloyd	Kieth Miller	Louise Kelly
James Bridges	Jessica Merryweather	Julie Cox	Kirsten Hughes	Louise McGough
James Brough	Jethu Miah	Julie Jamieson	Lancelot Chigariro	Louise Walton
James Brown	Joan Moores	Julianne Addinall	Larissa Gurney	Lucy Ashton
James Carpenter	Joanna Daulton	Justin Gough	Laura Johnson	Luke Robinson
James Eastham	Jodie Robb	Kalpesh Shah	Laura Kershaw	Lynda Prescott
James Edge	Joe Cox	Karen March	Laurence Loxam	Lynndsey Martin
James Gaving	Joe Sargent-Cain	Karen Ross	Lee Collins	Lynn Domsalla
James Gentleman	Johanna Asher	Karen Sutcliffe	Lee Cotterill	Mandy Aidney
James Hardy	John Barnet	Karl Jackson	Lee Croft	Marc Moules
James Hazeltine	John Brindle	Karl Sisson	Lee Culley	Marco Quasimodo
James Hogan	John Coles	Karl Smith	Lee Galloway	Margaret Clapham
James Hulme	John Daulton	Karl Winship	Lee Harrison	Margaret Lawrie
James Manders	John Davidson	Katan Shah	Lee Johnston	Margaret Rayner
James McGuigan	John Doodson	Kate Harvey	Lee Langmaid	Margaret Seaton
James Metcalf	John Forden	Kathryn Robinson	Lee Markwell	Maria Wing
James Moores	John Fox	Kathryn Rowley	Lee Marron	Mark Bentley
James Oaten	John Gallagher	Katie Howe	Lee Maxey	Mark Bradbury
James Paterson	John Herr	Katie McGowan	Lee McCullough	Mark Curwen
James Patston	John Hickey	Keiron Birch	Lee Moore	Mark Dawson
James Richards	John Hunter	Keith Earl	Lee Mullen	Mark Ford
James Robertson	John Kelly	Keith Rudkin	Lee Payne	Mark Hadfield
James Ryder	John Kent	Kelly Ellison	Lee Pinder	Mark Hodgkinson
James Sawyer	John Macrae	Kelly Thompson	Lee Reeves	Mark Jepson
James Smith	John McKenna	Kelly Whyte	Lee Riches	Mark Johnson
Jamie Brewer	John Pughe	Kelly Wrenn	Leigh Holden	Mark Jones
Jamie McNeilly	John Reilly	Kenneth Cookson	Leo Canning	Mark Lever
Jamie Smith	John Russell	Kenneth Frankland	Leo O'Doherty	Mark Moore
Jamie Turner	John Gary Smith	Kenneth Oldham	Leonard Denton	Mark Mottershead
Jane Ladlow	John George Smith	Kenneth Owen	Leonard Sheldrick	Mark Pearce
Janet Burgess	John Stitson	Kenneth Timms	Leonard Wilson	Mark Redpath
Janet Lockyer	John Sutton	Kenneth Turner	Leslie Baker	Mark Riley
Janice Millett	Jon Oliver	Kerri Bester	Leslie Bowles	Mark Robinson
Jason Doe	Jonathan Austin	Kerri Wood	Leslie Thomson	Mark Sewell
Jason Meadows	Jonathan Coombs	Kerry Atkinson	Lewis Wilkinson	Mark Stephenson
Jason Moore	Jonathan Hargreaves	Kerry Hall	Liam Taylor	Mark Strong

Mark Whiteman	Michael Hollis	Nicola Dearden	Paul Revell	Rebecca Oblein
Mark Wilcock	Michael Humpage	Nicola Duckworth	Paul Riley	Rex Ogden
Mark Williams	Michael Jack	Nicola Scott	Paul Robinson	Rhonda Partridge
Martin Baker	Michael Litster	Nicola West	Paul Rudyard	Richard Ball
Martin Derricott	Michael Low	Nicolas Wassell	Paul Sanderson	Richard Barnes
Martin Flynn	Michael Maddison	Nigel Barugh	Paul Scott	Richard Bickers
Martin Jackson	Michael O'Gorman	Nigel Fleming	Paul Shaw	Richard Brookfield
Martin Ridgway	Michael Pow	Nigel Wills	Paul Sutton	Richard Carter
Martin Rowlands	Michael Reilly	Nikki Baldock	Paul Thornecroft	Richard Clark
Martin Shenton	Michael Thomas	Nikolai Nikoloff	Paul Vye	Richard Clarke
Martin Sinnott	Michael Weston	Nilesh Dahya	Paul Williams	Richard Conlong
Martin Smith	Michael Williams	Nita Blackwell	Paul Wood	Richard Diedrick
Martin Winterburn	Michael Worsnip	Norma Beresford	Paul Wright	Richard Gallagher
Mary Stonard	Michele Calver	Oluremi Dikko-Balogun	Paula Budsworth	Richard Harris
Mathew Dunn	Michelle Bovey	Pamela Brydon	Pauline Grenfell	Richard Homan
Mathew Kelly	Michelle Kempson	Paresh Rajani	Peter Biggs	Richard Hutcheson
Mathew Penny	Michelle Sutherland	Patricia Brian	Peter Byrne	Richard Khamani
Mathew Wheeler	Mohamed Iqbal	Patricia Campbell	Peter Charters	Richard King
Matt Whiteman	Mohamed Patel	Patricia Croft	Peter Crake	Richard Lotto
Matthew Askew	Mohammed Parvaz	Patricia Walker	Peter Davey	Richard Prescott
Matthew Ball	Mohammed Zamurd	Paul Atkinson	Peter Davidson	Richard Redfern
Matthew Cribb	Naomi Cullen	Paul Bainbridge	Peter Fallows	Richard Sellars
Matthew Hawley	Naomi Mildenhall	Paul Carter	Peter Johnson	Richard Smallman
Matthew Higginson	Nathan Barrass	Paul Clapham	Peter Murray	Rick Whelband
Matthew Mckune	Nathan Collins	Paul Coffey	Peter Nicklin	Ricky Stevens
Matthew Pickley	Nathan Jander	Paul Collins	Peter Riches	Rizwan Khan
Matthew Williams	Nathan Seigneur	Paul Danbury	Peter Sharkey	Robert Blount
Mehmet Asdoyuran	Nazia Bibi	Paul Daubney	Peter Smith	Robert Cairns
Melanie Dean	Neil Cattroll	Paul Griffiths	Peter Stagg	Robert Cooper
Melanie Gardiner	Neil Curtis	Paul Hammond	Peter Sumner	Robert Docker
Melton Thompson	Neil Hendy	Paul Howarth	Phil Peacock	Robert Exley
Melvin Littler	Neil Homan	Paul Hughes	Phillip Cuthbertson	Robert Gaskin
Michael Bateman	Neil Humphreys	Paul Jones	Phillip Hunt	Robert Gordon
Michael Bolden	Neil Kelly	Paul Kemp	Phillip Kelly	Robert Hadley
Michael Boughton	Neil Ketnor	Paul Kinsella	Phillip McCarney	Robert Hodgson
Michael Coward	Neil Walker	Paul Lathrope	Phillip Tomlin	Robert Moss
Michael Cumberbatch	Nichola Fowler	Paul Laverty	Pratik Parekh	Robert Myers
Michael Dunn	Nicholas Bradshaw	Paul Leaford	Pushpakant Mathur	Robert Tenn
Michael Earls	Nicholas Deary	Paul Liggett	Raj Surani	Roberto Di-Leva
Michael Finn	Nicholas Lawrence	Paul McCulloch	Rajan Mehta	Robin Holt
Michael Foster	Nicholas Ounstead	Paul Murton	Raymond Mann	Roderick Carswell
Michael Gay	Nicholas Withers	Paul Nicholls	Raymond Youseph	Roger Bailey
Michael Hickson	Nick Timlin	Paul Peacock	Rebecca Bailey	Ronald Daniels
Michael Holland	Nicola Acres	Paul Pratley	Rebecca Jacques	Ronald Emmanuel

Ronald Judges
Ronald Perrott
Rory Keen
Rory McNally
Rosina Taylor
Roy Haddon
Roy Peasland
Ryan Mark
Ryan Mason
Samantha Cato
Samantha Harris
Samantha Sayer
Samuel Foston
Sandra Lloyd-Hughes
Sandra Robinson
Sandra Stevens
Sarah Earthey
Sarah Jones
Satyan Meisaria
Scott Arundell
Scott Hamilton
Scott Meadows
Scott Picken
Scott Porter
Scott Slaughter
Scott Stephenson
Scott Walton
Scott Williams
Sean Evans
Sean McCartney
Sean McClafferty
Sean King
Shahid Mahmood
Shane Billson
Shane House
Shane Malone
Shanor Ali
Sharon Muir
Sharon Wood
Shaun Bebbington
Shaun Butcher
Sheila Robertson
Sheila Whetton
Sherief Madkour Aly

Shirley Girdler
Shirley Moore
Simeon Fender
Simon Alison
Simon Bedford
Simon Benbow
Simon Derbyshire
Simon Farr
Simon Fullaway
Simon Green
Simon Jones
Simon Oaten
Simon Rayner
Simon Tunnickliffe
Simon Walker
Sion Jackson
Socrates Pantelides
Stanley Crowther
Stephanie Brooks
Stephanie Nevett
Stephen Ainsworth
Stephen Clark
Stephen Clarke
Stephen Collins
Stephen Dempster
Stephen Easthope
Stephen Jones
Stephen Melia
Stephen Nunn
Stephen O'Callaghan
Stephen Putland
Stephen Reed
Stephen Ridout
Stephen Smith
Stephen Unuth
Stephen Wilson
Stephenie Bispham
Steve Budd
Steve Sheekey
Steven Bowden
Steven Firth
Steven Fulthorpe
Steven Godwin
Steven Jacobs

Steven Kaye
Steven Long
Steven Nelson
Steven Powner
Steven Pratt
Steven Tinkler
Steven Wright
Stewart Trace
Stuart Argyle
Stuart Coleman
Stuart Gratton
Stuart Hood
Stuart Hopwood
Stuart Jones
Stuart Leatherland
Stuart Massey
Stuart Pemberton
Stuart Perrins
Stuart Thompson
Stuart Tynan
Stuart Williams
Sunil Patel
Susan Attwell
Susan Henshall
Susan Hunt
Susan Wright
Suzanne Lloyd
Suzanne Sutherland
Terence Dooley
Terence Melia
Terence Power
Terry Harrod
Theresa Baker
Thomas Greengrow
Thomas Jones
Thomas Lewis
Thomas Ryan
Tim Coleman
Tim Keating
Tim Wells
Timothy Boardman
Toby Bateson
Tommy Dobson
Tony Alliband

Tony Bennington
Tony Chapman
Tony Davies
Tony Fitzgibbons
Tony Long
Tony Smith
Tony Watson
Tracey Gallagher
Tracey Kenny
Tracey Kenrick
Tracy Walters
Tristan Strange
Valerie Vernon
Vicky Edge
Victoria Bachell
Victoria Gallagher
Victoria Harper
Victoria Tarn
Vivienne Johns
Warren Bull
Warren Hearn
Warren Smith
Wayne Bennett
Wayne Farini
Wayne Hardy

Wayne Hughes
Wayne Quaintance
Wayne Randall
Wayne Sponeck
William Bailey
William Bowers
William Corbett
William Gunshon
William Harvey
Wyn Hopkins
Yvonne Burgess
Zaid Tufail
Zena Calver
Zhi Pei
Zoe Capener



Zoe Cope

STORE LOCATIONS

Central Region

Aston
Banbury
Bedford
Burton on Trent
Coventry*
Derby
Great Yarmouth*
Ipswich*
Kidderminster*
Kings Heath
Kings Lynn*
Leicester
Lincoln
Luton
Milton Keynes
Narborough
Newcastle
under Lyme
Northampton
Norwich
Nottingham
Oldbury
Peterborough*
Sheldon
Shrewsbury
Solihull
Stafford
Stoke on Trent
Tamworth
Wolverhampton

London and Thames South

Basildon
Beckton
Brighton
Broadstairs*
Catford
Charlton
Chingford
Colindale
Crayford
Croydon

Dagenham
Edmonton
Gatwick
Gunnersbury
Harlow
Ilford
Maidstone
Mitcham
New Southgate
Newbury
Old Kent Road
Penge
Raynes Park
Reading
Romford
Southall
Southampton
Southend on Sea
Stamford Hill
Tonbridge*
Tonbridge Wells*
Uxbridge
Vauxhall
Watford
Wembley

North West

Aintree
Audenshaw
Barrow in Furness
Blackburn
Blackpool
Bolton
Carlisle*
Cheadle
Chester
Chester 2
Cleveleys
Crewe
Failsworth
Macclesfield
Morecambe
Oldham
Preston

Sale
Salford
St Helens
Speke
Stockport
Warrington
Widnes
Wigan

North

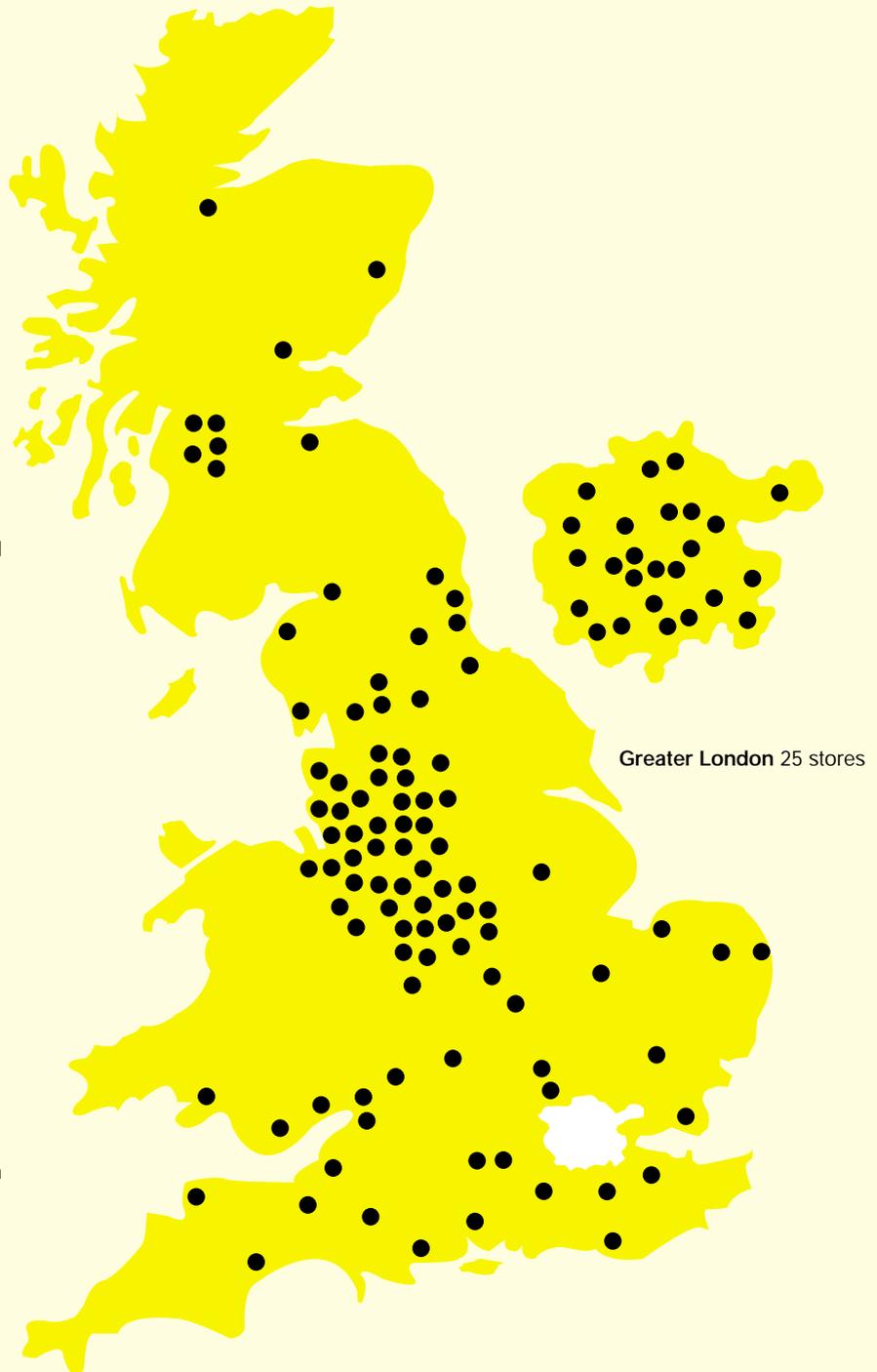
Chesterfield
Gateshead
Harrogate
Huddersfield
Leeds*
Stockton
Sunderland
Tyneside*
Wakefield
York

Scotland

Aberdeen
Edinburgh
Greenock
Hillington
Inverness
Linwood
Perth
Rutherglen
Wishaw

South West

Barnstaple
Bristol
Cardiff
Cheltenham
Christchurch
Exeter
Gloucester
Newport
Poole
Swansea
Swindon*
Taunton
Weston Super Mare



Total 121 stores

* New store 2000/2001



STORE LOCATIONS

Central Region

Cambridge*
Coventry*
Great Barr
Fenton
Leicester*
Nottingham
Peterborough
Stoke on Trent
Worcester*

London and Thames South

Charlton
New Southgate
Orpington
Swindon*
Wembley

North West

Crosby
Doncaster
Oldham
Openshaw
Preston
Sheffield
Stockport

North

Darlington*
Hull
Leeds*

South West

Bridgend*
Exeter*



Total 26 stores

* New store 2000/2001

Topps Tiles Plc

Rushworth House, Wilmslow Road, Handforth, Wilmslow, Cheshire SK9 3HJ. Telephone 01625 446 700 Facsimile 01625 446 800 www.ToppsTiles.co.uk