Topps Tiles

Topps Tiles Plc
Annual Report and Accounts
for the 52 week period ended 27 September 2014

Stock code: TPT

WELCOME TO THE TOPPS TILES PLC
ANNUAL REPORT 2014

TOPPS HAD AN EXCELLENT YEAR IN 2013/14 AS OUR CONSISTENT FOCUS ON TAKING PROFITABLE MARKET SHARE HELPED THE GROUP TO SIGNIFICANTLY OUTPERFORM THE OVERALL TILE MARKET AND DELIVER ROBUST INCREASES IN LIKE-FOR-LIKE SALES, PRE-TAX PROFITS AND EARNINGS PER SHARE. WE ARE ALSO DELIGHTED TO BE RECOMMENDING TO SHAREHOLDERS A 50% INCREASE IN FULL YEAR DIVIDEND TO 2.25 PENCE PER SHARE.

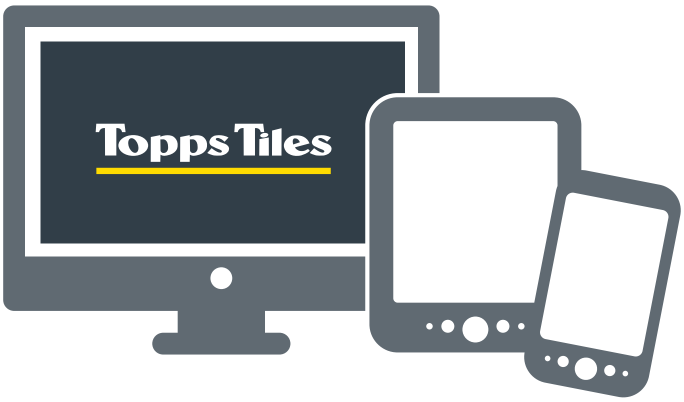
Read more in the **Strategic and Operational Review** on page 12

Grosvenor: Inspired by classic Victorian style.

Black Slate Uncalibrated: Durable and characteristic, slate is a natural choice.

Henley: Developed by Topps using the latest inkjet print technology.

INVESTOR WEBSITE



LOOK OUT FOR THESE ICONS WITHIN THE REPORT

Read more **content** in this report

Read more **content** online

We maintain an investors website containing a wide range of information of interest to investors:
www.toppstiles.co.uk/media-centre/investors

NOTES

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

2 Adjusted profit before tax excludes several items we have incurred during the period which are not representative of underlying performance, these are: the impairment of plant, property and equipment of £0.3 million (2013: £0.6 million) and business restructuring costs of £0.2 million (2013: £0.2 million). Other items excluded are the charge against property-related provisons in the period which was £nil (2013: £0.9 million). There was one property disposal gain of £0.4 million (2013: £0.1 million) and a £0.1 million gain relating to the forward currency contracts the Group (defined as Topps Tiles Plc and all its subsidiaries) has in place (per IAS39) (2013: £0.2 million gain against forward currency contracts and interest rate derivatives). There was a £0.1 million charge for interest against a possible historic tax charge (2013: £1.0 million charge) and a write down of the unamortised issue costs relating to the 2011 Revolving Credit Facility of £0.3 million (2013: £nil).

3 Adjusted for the post tax effect of items highlighted above.

4 Market share is based on forecast volume growth of 5% provided by Market and Business Development (part of the Mintel Group) plus an allowance for inflation and is compared to Topps' growth in tile sales over the same period.

5 Net debt is defined as loan facilities drawn down less cash and cash equivalents.

OUR HIGHLIGHTS

GROUP REVENUE
£195.2m↑ (+9.8%)
2013: £177.8m

ADJUSTED PROFIT BEFORE TAX[2]
£17.1m↑ (+31.5%)
2013: £13.0m

TOTAL DIVIDEND
2.25p↑ (+50.0%)
2013:1.50p

PROFIT BEFORE TAX
£16.7m↑ (+57.5%)
2013: £10.6m

ADJUSTED EARNINGS PER SHARE[3]
6.63p↑ (+21.9%)
2013: 5.44p

LIKE-FOR-LIKE-REVENUE[1]
+8.1%↑ (+8.6%)
2013: -0.5%

GROSS MARGIN
60.9%↑ (+70bps)
2013: 60.2%

BASIC EARNINGS PER SHARE
6.49p↑ (+36.3%)
2013: 4.76p

FINAL DIVIDEND
1.60p↑ (+60.0%)
2013: 1.00p

NET DEBT[5]
£30.5m↓ (–£6.1m)
2013: £36.6m

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FINANCIAL HIGHLIGHTS

- Total sales growth of 9.8% and 8.1% on a like-for-like basis
- Gross margin increased to 60.9% (2013: 60.2%) reflecting further sourcing gains and our focus on a differentiated product offer
- Adjusted profit before tax[2] of £17.1million, up by 31.5%
- Increased final dividend of 1.60 pence per share (2013: 1.00 pence per share), making a total for the year of 2.25 pence per share (50.0% increase)
- Net debt[5] at period end reduced to £30.5 million (2013: £36.6 million), a level the Board believes represents an appropriate balance of an efficient capital structure and financial flexibility

OPERATIONAL HIGHLIGHTS

- Market share increased to 30.3%[4] (2013: 28.5%) reflecting successful strategy of providing an inspirational shopping experience, unrivalled product range authority and multi-channel convenience
- Sixth consecutive year of market share gains — strong progress made towards target of taking £1 in every £3 spent on tiles in the UK domestic refurbishment market
- Trade sales increased to 46.0% of total (2013: 43%) as trend for "do it for me" gathers further momentum
- Sales benefiting from increased investment in new product development – 20.0% of tile revenues generated from ranges launched in the last 18 months
- Multiple initiatives to extend the appeal of the Topps brand being implemented, including:
  - a programme of 'all store improvements' which has seen our latest display and merchandising treatments installed across the entire Topps estate
  - an extension of the Topps Tiles Boutique trial to a total of five sites, with a further 10-12 sites planned in 2015
  - a new marketing campaign featuring Phil Spencer of "Location, Location, Location" as Topps Brand Ambassador
  - a roll out of updated branding and external improvements across core stores planned for 2015

CURRENT TRADING AND OUTLOOK

- The Group is now trading from 336 stores (2013: 327 stores)
- In the first eight weeks of the new financial period, Group revenues, stated on a like-for-like basis, increased by 6.7% (2013: 7.4%)

CHAIRMAN'S STATEMENT

Michael Jack
Chairman

I am delighted to be able to report an excellent trading performance for last year with a growth in sales of 9.8% and an increase in adjusted profit before tax of 31.5% to £17.1 million.

"I remain very confident in the outlook for Topps. We have delivered very strong strategic and financial progress this year and I fully expect to be able to report that our new financial year will also see us take further profitable market share in the UK and move us closer towards our goal of having one third of the UK tile market."

Read more in the **Strategic and Operational Review** on page **12**

INTRODUCTION

I am delighted to be able to report an excellent trading performance for last year with a growth in sales of 9.8% and an increase in adjusted profit before tax of 31.5% to £17.1 million. This performance represents a clear validation of the strategy we outlined last year of focussing the business on profitably growing its share of the market. With our market share now increased to 30.3%, we are making good progress towards our goal of taking one in every three pounds spent on tiles in the UK and have extended our lead as the country's number one tile retailer.

STRATEGY

Topps remains fully committed to its successful strategy of providing an inspirational shopping experience, with outstanding service, sector leading multi-channel convenience and the most authoritative range in our market. The executive team has made extensive efforts to ensure that everyone in the business is fully conversant with our strategic aims and objectives and will also be ensuring that we invest a significant amount of time and resources to ensure that colleagues across the business are well briefed on our progress.

GOVERNANCE

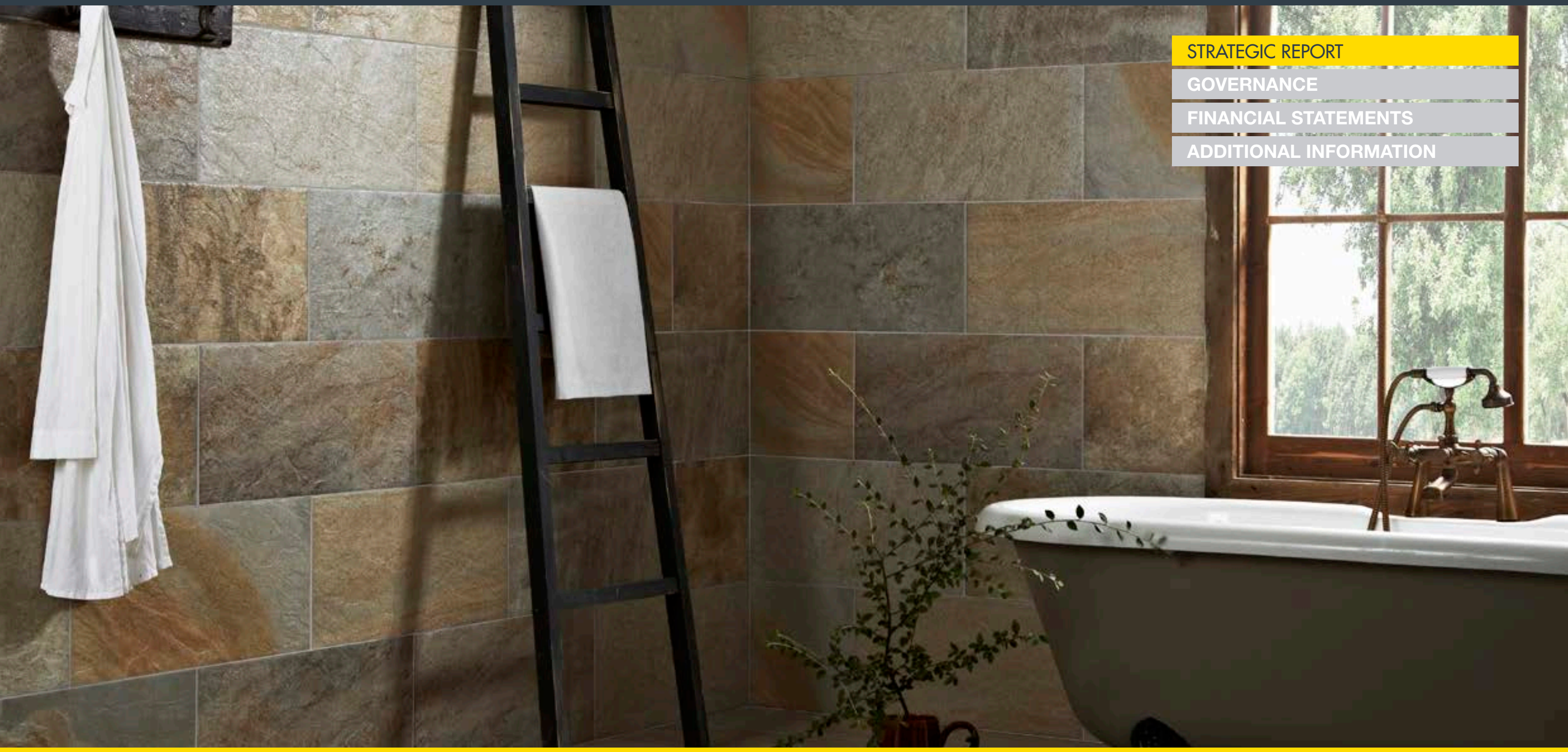
Last year we adopted a number of new corporate governance standards ahead of their mandatory introduction. This year our focus has been on continuing to embrace best practice by refining, developing and professionalising our approach to governance. We have now fully implemented the new statutory reporting requirements in respect of executive remuneration and comply fully with the new binding policy and the updated Directors' Remuneration Report.

We have also reviewed the operation of the Board's Committees and updated their Terms of Reference. These are now published on the Company's website alongside an up to date statement of the roles and responsibilities of the Chairman and the CEO.

In addition to these developments we have taken a further step forwards in our corporate governance with the appointment of Stuart Davey, Topps Group Lawyer, as our Company Secretary, a role previously held by our CFO, Rob Parker.

Our Nominations Committee's principal task this year has been to manage the process of identifying a successor to our Senior Independent Director Alan White, who is due to retire from the Board at the end of November 2014. We are well advanced with this search and I expect to be able to report further news by the time of the Company's Annual General Meeting.

Alan joined the Board in 2008 and his wise counsel and advice has been of great benefit to the Board, especially during the difficult trading conditions we experienced during the recession. On behalf of the Board I would like to thank Alan sincerely for his contribution to Topps over the last six years and wish him every success in the future.



Zelve: Many of our tiles can be used on walls as well as floors for a seamless look

CAPITAL STRUCTURE AND DIVIDEND

Topps has delivered a very strong set of financial results this year and this has resulted in a reduction in the Company's net debt position from £36.6 million to £30.5 million – a level we consider represents an appropriate balance of an efficient capital structure and financial flexibility for a business of our size and growth ambitions. The business remains cash generative and as we move forward the Board envisages a greater share of earnings being returned to shareholders in order to maintain net debt at broadly the current level.

As a result, this year the Board is recommending to shareholders an increased final dividend of 1.60 pence per share (2013: 1.00 pence per share). This will bring the total dividend for the year to 2.25 pence per share (2013: 1.50 pence per share), an increase of 50%. The Board remains committed to a progressive dividend policy.

THE FUTURE FOR TOPPS

Topps is fully focussed on achieving its ambition of securing £1 in every £3 spent on tiles in the UK.

In order to further extend our industry lead we must continue to innovate and truly inspire our customers with their home improvement projects. This approach is already being seen via the introduction of our new small store "Boutique" format which is giving Topps a presence in parts of the country where historically we have found it difficult to find a suitable site for our core offering. In product development we are harnessing the latest tile manufacturing techniques to provide Topps with products that lead the market both in terms of design and value. Our truly multi-channel approach will continue to strengthen as we constantly improve our in-store offer and develop industry leading levels of online capability.

I remain very confident in the outlook for Topps. We have delivered very strong strategic and financial progress this year and I fully expect to be able to report that our new financial year will also see us take further profitable market share in the UK and move us closer towards our goal of having one third of the UK tile market.

Michael Jack
Chairman

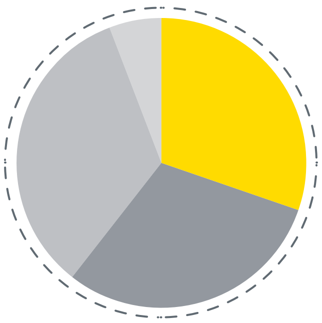
25 November 2014

£17.1m
Adjusted profit before tax
+31.5%
2013: £13.0m

2.25p
Total dividend
+50.0%
2013: 1.50p

OUR BUSINESS MODEL

TOPPS TILES MARKET SHARE



Topps	30.3%
Specialists	30.3%
Sheds	33.6%
Other	5.8%

Topps is the UK's leading specialist retailer of tiles. We supply tiles and associated accessories for the refurbishment of UK domestic housing to both a trade and retail customer base.

We operate a vertically integrated supply chain sourcing many of our bestselling tiles direct from factories around the world and rely on strong relationships with key suppliers who we often work together with to develop new product innovations.

Our business operates from over 300 UK based retail outlets of c.5,000 sq ft which are typically located on trade parks or on main arterial roads in locations near existing DIY outlets. We operate our stores on a lease basis with an average unexpired lease of c.eight years.

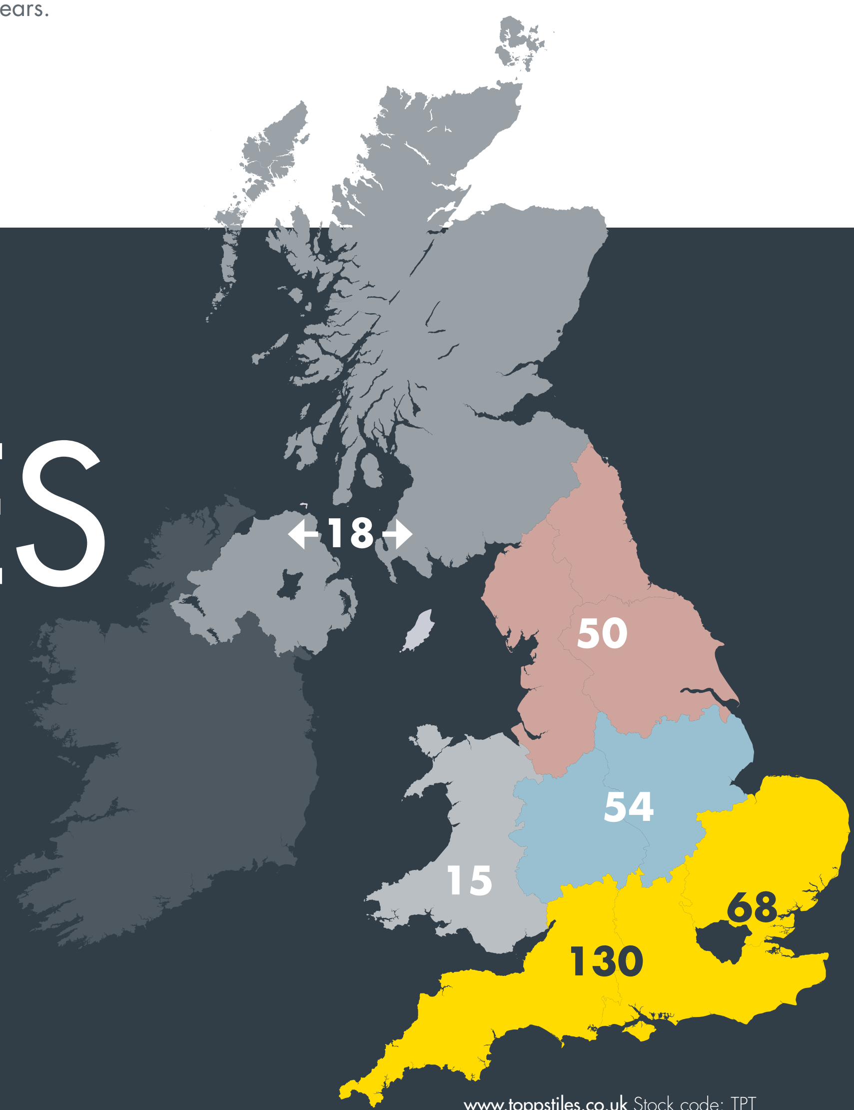
Topps stores carry a market leading range of tiles and associated products, the majority of which is available in stock to take away. Our store colleagues are a key ingredient of our business model – our customers rely on our expert product knowledge and service based approach.

Combining the key aspects of our business has created a model which has endured for the last 50 years and, when combined with our strategy we believe will continue to serve us well into the future.

Read more in **Our Strategy** on page **05**

335 STORES

- SCOTLAND AND NORTHERN IRELAND
- THE NORTH
- WALES
- THE MIDLANDS
- THE SOUTH
- LONDON



See our full **Store list** on page **118**

OUR STRATEGY

The primary goal for the business is to take profitable market share.

We have consistently grown market share over recent years and Topps now accounts for 30.3% of the UK domestic tile market. We have set ourselves a goal of growing market share to one third of the UK domestic tile market, or in simple terms £1 out of every £3 that is spent in our market.

HOW WILL WE ACHIEVE THIS?
Our strategy is focussed on being the UK's leading tile specialist, delivering an unbeatable combination of service and outstanding value to our customers. We achieve this by focussing on three key areas of specialism – providing an inspirational shopping experience, range authority and multi-channel convenience.

Our market share is now increased to 30.3%
+ 1.8%
2013: 28.5%

335
Stores
Net increase of seven stores
2013: 328

Read more about **Inspirational Shopping Experience** on page **06**

Read more about **Multi-Channel Convenience** on page **08**

Read more about **Range Authority** on page **10**

STRATEGIC PILLARS

INSPIRATIONAL SHOPPING EXPERIENCE
We provide our customers with market leading levels of service combined with an inspirational in-store environment that features innovative merchandising and creative room set style photography.

MULTI-CHANNEL CONVENIENCE
Convenience is a vital element of our customers' decision to shop with us. Our scale, expertise and ability to seamlessly integrate all of our channels to market is an important source of competitive advantage.

RANGE AUTHORITY
We offer unrivalled authority in product range which always includes great quality products in the latest designs at a range of prices to help our customers get the most from their home improvement projects. We launch at least one new range every week.

Read more in the **Strategic and Operational Review** on page **12**

STRATEGIC PILLAR ONE

INSPIRATIONAL SHOPPING EXPERIENCE

WHAT WE ACHIEVED IN 2014

CUSTOMER SERVICE

The trend towards customers becoming increasingly adventurous in their home improvement projects has continued this year – our specialist team of advisors can truly inspire our customers with our expert knowledge and market leading range.

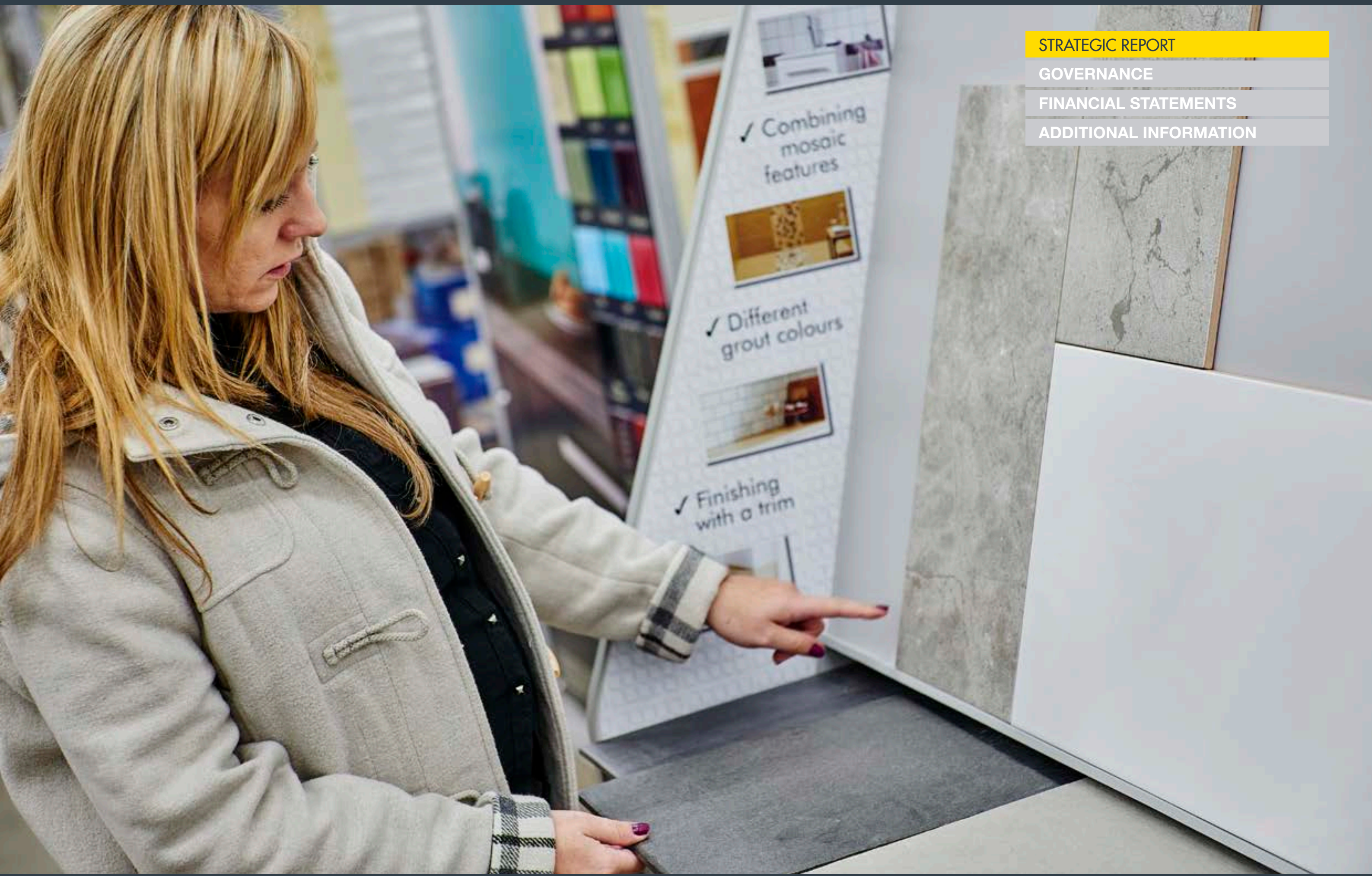
IN-STORE ENVIRONMENT

This year we have delivered an ambitious programme of all store improvements which has seen our latest display and merchandising treatments installed across our entire estate – including new natural stone displays, extended use of image boards, new counters and navigational signage, accessory displays and clearer pricing and point of sale materials.

TRADE LOYALTY

Our trade customers continue to represent a key source of growth – growing from 43% in the prior year to 46% this year. Customers are increasingly opting for "do it for me" over "do it yourself" and Topps' long history of catering for the trade means we are well placed to benefit from this trend.

Read more on page **15**



TESTIMONIALS

WHAT OUR CUSTOMERS ARE SAYING

HARRY, EPSOM

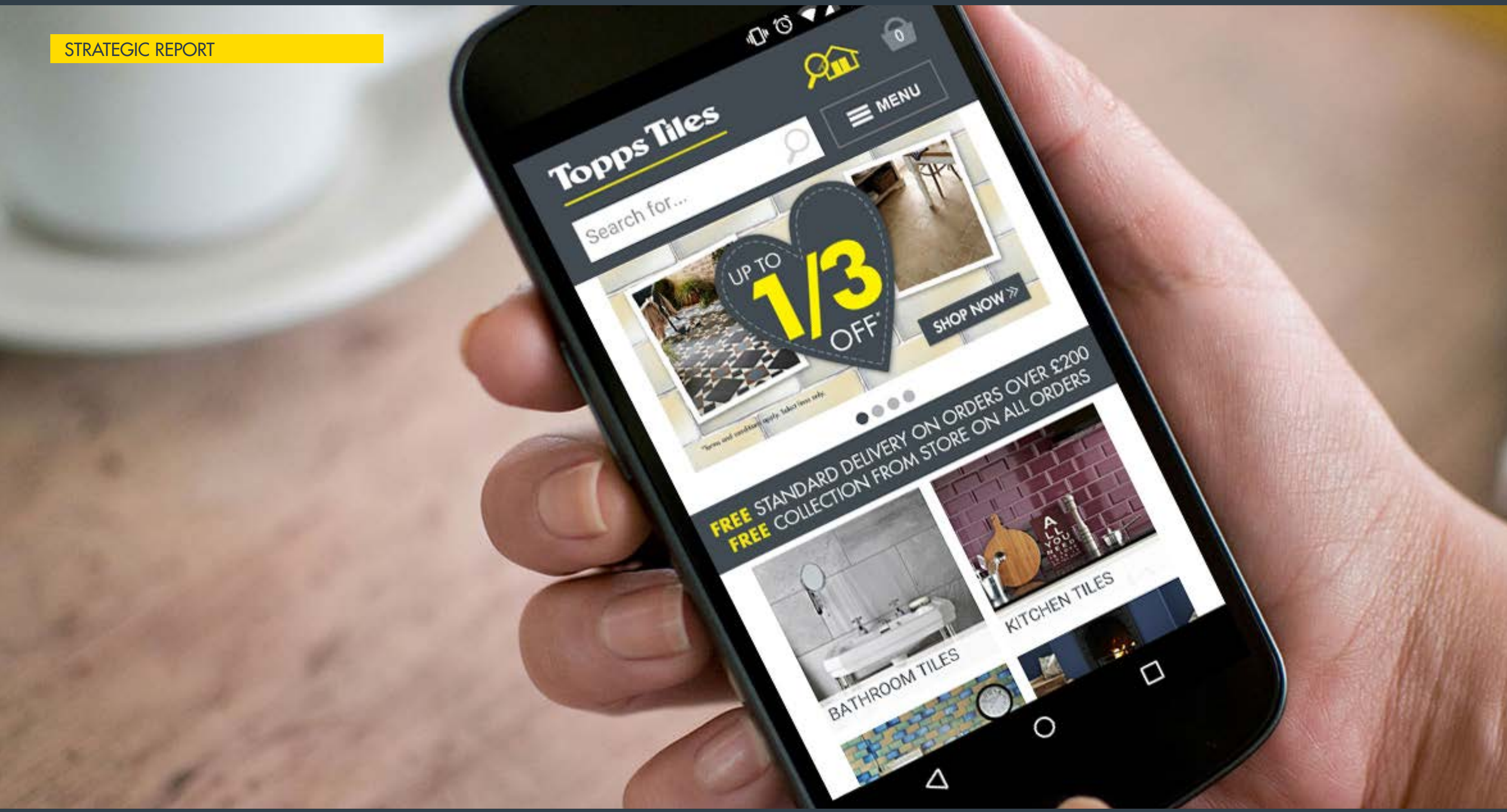
We decided to visit Topps Tiles after using their excellent webpage. The Store had an amazing selection of tile ranges and the prices were extremely fair, but, most importantly the staff were really knowledgeable and helpful. 10/10!

JAXIE, READING

So… there I was stuck looking for tiles, tried everywhere, I had not even considered going to Topps Tiles. I looked at the website and changed my mind and thought it would be worth visiting. Did so one Sunday lunchtime, was approached by a young lad who asked if he could help, very pleased to find he had good knowledge of the tiles they stocked, very polite and chatty. His patience helped me choose tiles which I may not have selected and also made a great suggestion for floor tiles which would work in my colour scheme. All in all a good experience visiting the store. If in doubt, try it out. Topps is "tops".

JOHNNY, HAMPSHIRE

We were initially quite sceptical about Topps Tiles, but were very impressed by the range of tiles on offer, and overwhelmed by the helpfulness and knowledge of Pauline and her team. In fact so delighted with what we purchased that we have been back three times, and are planning another visit.



STRATEGIC PILLAR TWO

MULTI-CHANNEL CONVENIENCE

WHAT WE ACHIEVED IN 2014

OPENING MORE STORES

This year we have opened a net seven new stores, taking us to 335 at year end. Within that our property team sourced, fitted out and opened 16 stores. Four of these were relocations or rebrands and there were a further five closures.

BOUTIQUE

At the start of the year we announced our intention to trial a new smaller format, Topps Tiles Boutique, in order to allow further expansion into areas where we have found it difficult to source suitable properties for our existing format. Early trading has been encouraging and we are planning a further 10-12 openings in the year ahead.

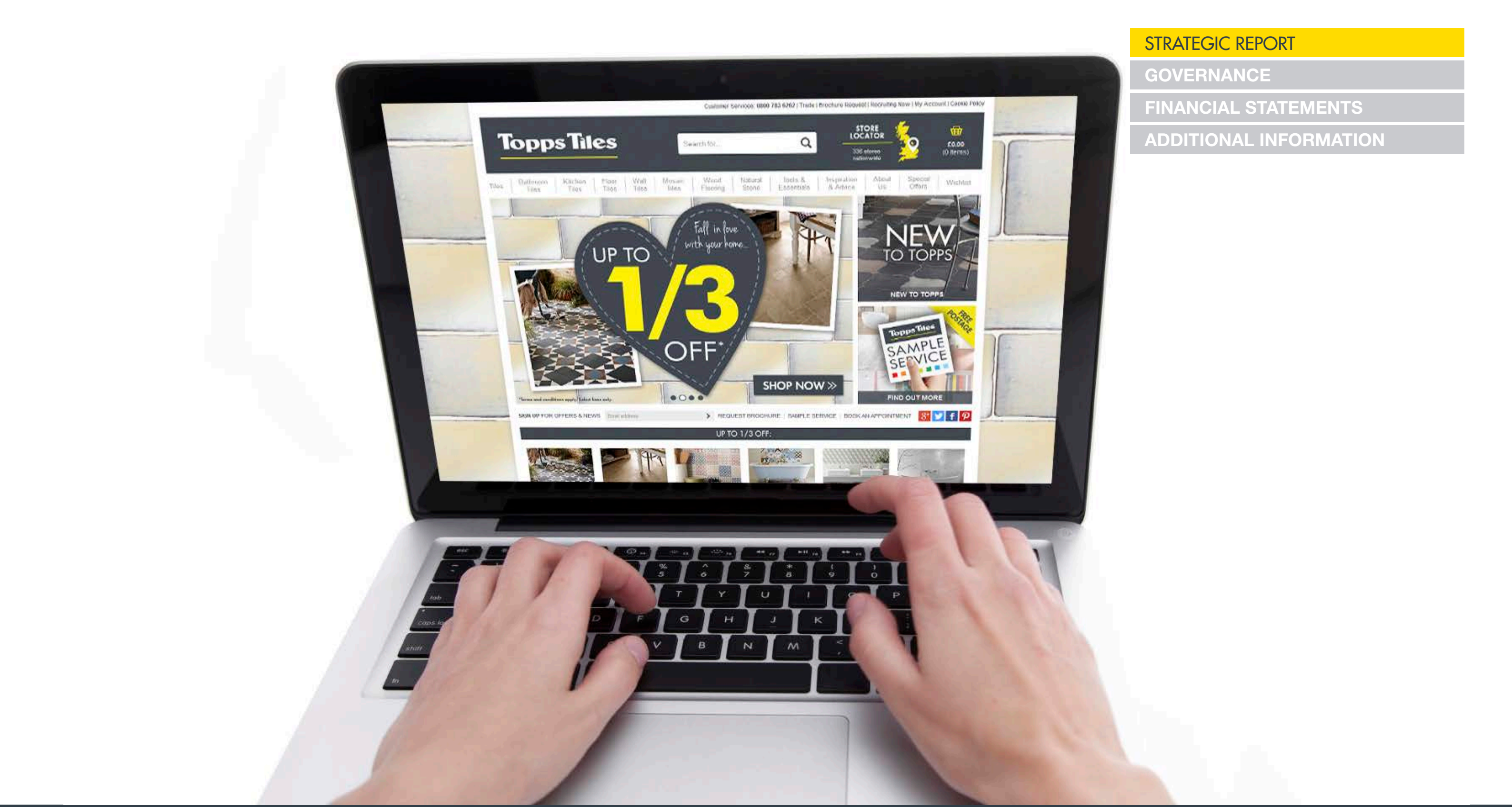
REFURBISHING STORES

We have continued to invest in the existing store estate and this year we have fully refitted 14 stores in addition to the programme of all store improvements highlighted under Inspirational Shopping Experience.

ONLINE

Our e-commerce sales have now passed £6 million (2013: £3 million) and we have the number one UK site for visitors within our sector with over 150,000 unique visitors a week. In addition, customers also use the website to pay for a further £9 million (2013: £7 million) of sales which they initiated in store or over the phone but have chosen to pay for remotely.

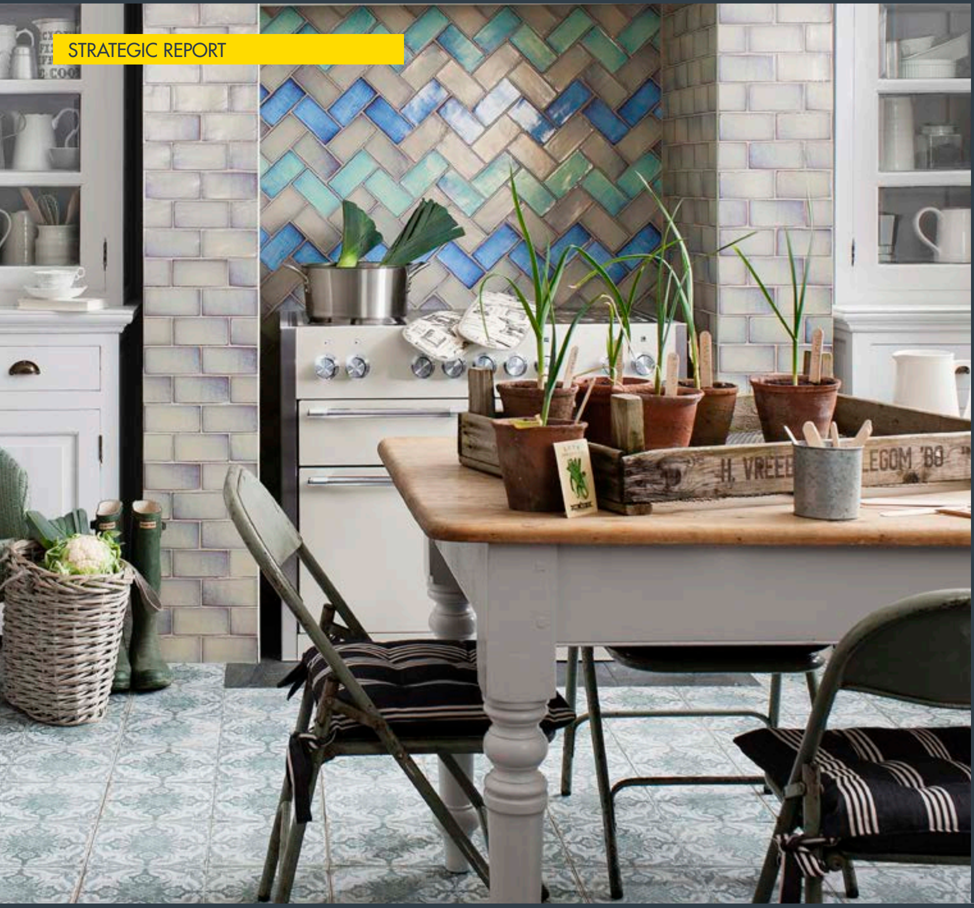
Read more on page **16**



SEAMLESS INTEGRATION

MEETING OUR CUSTOMERS' NEEDS

Convenience is a vital element of consideration to shop with us. The seamless integration of all channels to market is an important source of competitive advantage, especially over our specialist competitors. We want to ensure that whenever and however our customers wish to engage with us, we are able to meet their needs. Increasingly we are seeing a divergence of channels being used to communicate with Topps Tiles; over the last financial period we have seen an increase in online payments by 72%, mobile traffic was up 73% and we saw a 30% increase in customers wishing to telephone order. We continue to invest heavily in both marketing and developing these channels to ensure we reaching our customers effectively.



STRATEGIC PILLAR THREE

RANGE AUTHORITY

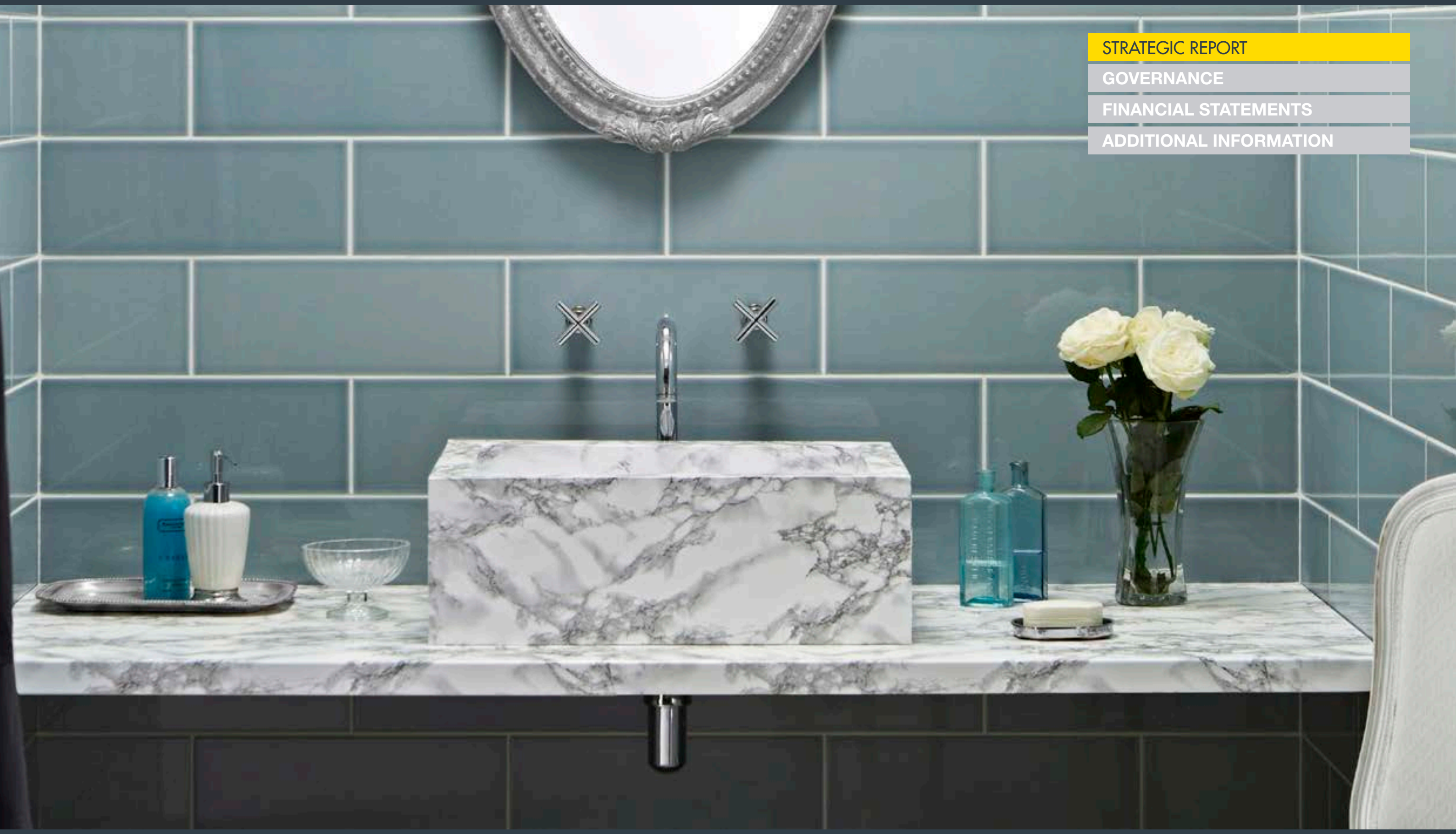
WHAT WE ACHIEVED IN 2014

RANGE AUTHORITY
We have the UK's leading tile range with over 5,000 items. In addition we also have the best stock availability with c.1,500 available to take away.

NEW PRODUCT DEVELOPMENT
Our specialist team of buyers work with core suppliers on exclusive designs and own brand products – delivering genuine product innovation.

SPEED TO MARKET
Our integrated supply chain and dedicated buying team means we can bring product to market faster than our competitors. We launch more than one new range every week and ranges launched in the last 18 months account for 20% of our tile sales.

Read more on page **14**



CASE STUDY

MARKET LEADING & INNOVATIVE PRODUCTS

METRO

Metro was first introduced in 2005, and there are now nine lines in the range. Over that time it has become one of our best sellers, appealing to customers wanting an on trend look with great value for money. In recent years the white tile has become slightly more commoditised as other suppliers have released a similar look, however we have maintained our point of difference by reassuring customers that the quality of the metro tile is unrivalled with similar offerings. In fact we worked with renowned independent testing house Ceram which took the Metro tile and competitor offerings through a rigorous 22 point test, and found the Metro to be the best in market.

HENLEY

The Henley range is a great example of our leading edge approach, as both the concept and the design were developed directly by Topps using the latest inkjet print technology. This allows customers to experience the traditional styling and aesthetics of the Victorian period without the expense and intricate fixing of the encaustic tiles that it replaces. As a result we were able to offer our customers niche, high end inspiration at an extremely affordable cost. We take great pride working with our suppliers to be at the cutting edge of technology enabling us to be the first to market with new styles and designs which are very hard to replicate.

METRO

HENLEY

STRATEGIC AND OPERATIONAL REVIEW

Matt Williams
Chief Executive Officer

Rob Parker
Chief Financial Officer

Key to the Group's success in growing its market share for the sixth consecutive year has been our clear strategy of providing customers with an inspirational shopping environment, unrivalled range authority, unmatched multi-channel convenience and great value.

The content of this Strategic and Operational Review meets the content requirements of the Strategic Report as set out in s414a of the Companies Act 2006. This Strategic and Operational Review and Chairman's Statement contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

OVERVIEW

Topps' strategy, to take profitable market share, was effective in helping the Group to outperform the UK tile market significantly during the period and deliver a strong overall financial performance, with total sales growth of 9.8% and a 31.5% increase in adjusted pre-tax profits.

Key to the Group's success in growing its market share for the sixth consecutive year has been our clear strategy of providing customers with an inspirational shopping environment, unrivalled range authority, unmatched multi-channel convenience and great value. We also believe that the Topps brand can appeal to a greater proportion of potential customers and during the year we commenced a number of initiatives designed to address this opportunity.

Specific elements include a programme of all store improvements which implement our latest display and merchandising treatments across the entire estate, a new marketing campaign featuring Phil Spencer as our Brand Ambassador and a new small store "Boutique" format which we have piloted in five locations. In the year ahead we have exciting plans in place to encourage more consumers to reappraise the Topps offer by rebranding and improving the external appearance of all of our stores. This will ensure we more accurately reflect the changes implemented in-store in recent years. The new branding has been piloted in five established Topps stores and customers have responded very positively to the initiative, which gives the stores a more contemporary appeal.

THE UK TILE MARKET AND PERFORMANCE OF THE BUSINESS

Topps serves the domestic tile market with the result that all of our products go into the refurbishment of existing UK housing stock. As such our market is discretionary in nature – the vast majority of expenditure is driven by a customer choosing to improve their home, with very little related to essential maintenance. As a result this puts a particular emphasis on consumer confidence as a key driver to our market and Topps' performance.

In addition one of the key influencers in customers taking on a home improvement project is their purchase of a home – housing transactions are therefore a very useful indicator of likely future demand. Transaction volumes improved considerably during the year, growing by 21% to 1.2 million transactions. This compares to a historical peak of 1.7 million transactions in 2007 and, whilst a return to peak levels of transactions is in no way certain, further upside would be very likely to drive expansion in the tile market and as such represents a possible source of future growth.

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

KEY PERFORMANCE INDICATORS (“KPIs”)

FINANCIAL KPIs

+8.1%
LIKE-FOR-LIKE SALES GROWTH YEAR-ON-YEAR
2013: -0.5%

60.9%
GROSS MARGIN
2013: 60.2%

£30.5m
NET DEBT
2013: £36.6m

+9.8%
TOTAL SALES GROWTH YEAR-ON-YEAR
2013: +0.1%

£17.1m
ADJUSTED PBT*
2013: £13.0m

133
INVENTORY DAYS
2013: 135

MEASURING OUR PERFORMANCE

NON-FINANCIAL KPIs

30.3%
MARKET SHARE
2013: 28.5%

44.2
CARBON EMISSIONS PER STORE (TONNES PER ANNUM)
2013: 46.9

25.2%
EMPLOYEE TURNOVER
2013: 27.5%

91.9%
NET PROMOTER SCORE
2013: 93.0%

335
NUMBER OF STORES AT YEAR END
2013: 328

*Adjusted PBT as defined on the inside front cover.

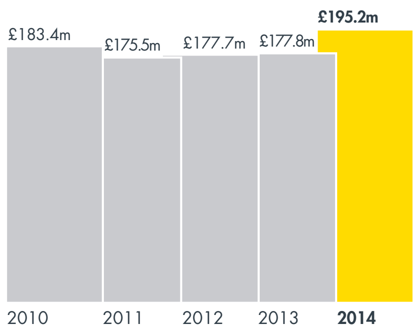
NOTES

- Net Promoter Score is calculated based on customer feedback to the question of how likely they are to recommend Topps Tiles to friends or colleagues. The scores are based on a numerical scale from 0-10, which allows customer to be split into promoters (9 -10), passives (7-8) and detractors (0-6). The final score is based on the percentage of promoters minus the percentage of detractors.
- Energy carbon emissions has been compiled in conjunction with our suppliers (SSE and Gazprom) and is based on the actual energy consumed multiplied by Environment Agency approved emissions factors. Vehicle emissions has been calculated by our in-house transport team based on mileage covered multiplied by manufacturer quoted emission statistics.

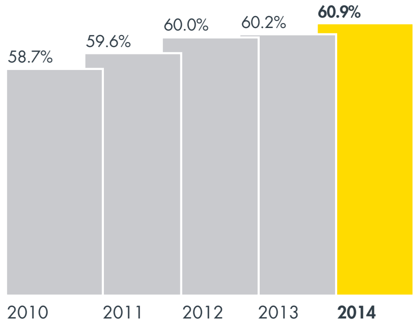
The Board receives regular information on these and other metrics for the Group as a whole. This information is reviewed and updated as the Directors feel appropriate.

STRATEGIC AND OPERATIONAL REVIEW
CONTINUED

GROUP REVENUE



GROSS MARGIN



We also consider UK house price data to be a useful indicator of the relative health of our market. House prices are a good reflection of both the housing market and consumer confidence as homeowners tend to feel more affluent in a rising market. During the year we have seen a strong increase in house prices with around 10% growth and the average price of a house in the UK now slightly ahead of where it last peaked in 2007. Whilst this is not consistent across the whole of the UK, every geographic area has experienced some growth in house prices and this is very helpful for home related expenditure.

MARKETING

As the UK's leading specialist retailer of tiles, Topps has strong overall levels of brand awareness. As we seek to further enhance our market share, our marketing strategy is focussed on broadening our customer base by persuading new customers to consider Topps first – either online or through a store visit. Our customer communications are increasingly focussed on the quality and breadth of our range to support our new product development advantage. Research shows us that product range and quality are the most important aspects when selecting a tile shop and hence the principal drivers of the purchase decision.

Our national TV advertising is focussed on supporting our promotional activity, with the new "fall in love with your home again – up to a third off" campaign running in Autumn 2014. To drive a step change in perceptions Topps has signed up Phil Spencer of TV programme "Location, Location, Location" as Brand Ambassador, to help increase the impact of our consumer PR campaigns and build on our existing coverage in home interest magazines, online and in national press.

The use of internal and market data is increasingly important in driving marketing effectiveness in the digital multichannel world. Topps is working in partnership with Experian to leverage several rich internal and external data sources and will launch a full Microsoft customer relationship management (CRM) platform in 2015. During the year our Marketing Team has been strengthened to take full advantage of the opportunities afforded by these developments.

STRATEGY

The primary goal for the business remains to take profitable market share. In 2013 we clarified this market share goal by announcing that we were targeting a one third share of the UK domestic tile market. The strategy for achieving this seeks to deliver an unbeatable combination of service and outstanding value to our customers by specifically focussing on three key areas:

1. Range authority
2. Providing an inspirational shopping experience
3. Multi-channel convenience

This strategy has been very effective and we have seen our share of the UK domestic tile market grow from 28.5% to 30.3%. This is the sixth year in a row we have taken market share. We believe the primary driver of our success is our very clear strategy for delivering our goal and we benefit greatly from this consistent approach – our colleagues across our business are clear on what we are striving to achieve and how each and every one of them can contribute to the organisation's success.

RANGE AUTHORITY

As the UK's leading specialist tile retailer, we understand the importance of having great quality products in the latest designs at a range of prices to help our customers get the most from their home improvement project. We are constantly refreshing our offering and launch at least one new tile range every week both in-store and online. This unrivalled authority in product range is critical to our competitive advantage.

Runway Grey 60 x 60cm: Using the latest inkjet print technology, this hardy porcelain floor tile features a concrete pattern in this season's favourite grey.

As customers' tastes continue to evolve and improved technology in tile manufacture allows greater diversity in style and design, we are finding that customers are also increasingly adventurous in their choices. Topps works closely with leading manufacturers and their suppliers to ensure we are first to market with these innovations. Through Topps, customers can access a sector leading range of over 5,000 items, which we regularly extend and update to stay ahead of the competition. Wherever possible, we register new designs, trademark names, and work with independent experts to establish claims and help guarantee exclusivity to our customers.

Research tells us that product quality and choice are two of the main reasons customers choose a tile shop and hence why Range Authority sits at the heart of our strategy. By working closely with a core group of suppliers across the world our buyers can bring new products to the market faster and more frequently than our competitors. Sales of tile ranges launched over the last 18 months account for 20% of tile revenues in the period. This metric clearly demonstrates the positive customer reaction to new product innovation. Areas such as digital inkjet print technology have revolutionised what can be done with patterned and natural effect tiles. Wood effect tiles are a good example of this innovation, with the new technology making them look so good many customers are choosing them in preference to laminate or engineered real wood flooring.

PROVIDING AN INSPIRATIONAL SHOPPING EXPERIENCE

Tiles are a semi-permanent decorative floor and wall covering which our retail customers shop for relatively infrequently and a product category in which there are no widely recognisable brands. This means that a fanatical commitment to delivering best in class customer service is essential to help our customers make informed choices. We focus on offering friendly, honest and helpful advice without ever being pushy. All of our stores are mystery shopped once every month and we also monitor each store's Net Promoter Score[1] (NPS) on a quarterly and annual basis. Annually we conduct an independent survey of our customers' satisfaction levels.

The recent trend in our market of customers becoming more adventurous and ambitious with their home improvement projects continued during the year. As a business we are ideally placed to respond to this trend. Our specialist team of advisors can truly inspire our customers with the market leading range that we offer.

20% of tile sales are from ranges launched in the last 18 months

Sector leading range of over 5,000 items

1 A full explanation of the NPS methodology and associated scores can be found within the KPIs section of the report.

STRATEGIC AND OPERATIONAL REVIEW
CONTINUED

> Following a review of the Boutique format and the five stores we currently have trading, we plan to extend the programme to a further 10-12 stores in the current financial year, including establishing a second geographic cluster in the North West of England.

Trade sales have grown to 46% of total sales

99% of our customers visit a store at some stage during their shopping journey

Furthermore, we are seeing a migration of sales to the trade segment as customers increasingly opt for "do it for me" over "do it yourself", a trend widely reported across the home improvement industry. We believe customers are increasingly turning to professional fitters to help with these projects, as evidenced by the growth in our trade sales base to 46% (2013: 43%) of our total sales. Engaging with these professional fitters and encouraging their loyalty to our business is increasingly important to our overall progress. Our long experience of catering to the trade means we are well placed to serve this growing market.

We have also worked hard on making sure that the environment within all of our stores is an inspirational place to shop. This year we have delivered an ambitious programme of 'all store improvements' which has seen our latest display and merchandising treatments installed across our entire estate. These treatments include new natural stone wall displays, extended use of image boards, new counters and navigational signage, accessory displays and clearer pricing and point of sale materials.

MULTI-CHANNEL CONVENIENCE

Convenience is a vital element of our customers' decision to shop with us. Our scale, expertise and ability to seamlessly integrate all of our channels to market is an important source of competitive advantage.

STORES

Our stores remain by far our most dominant channel, with over 99% of our customers visiting a store at some stage in their shopping journey with Topps. Customers tell us that this is because of the tactile nature of the product, the market leading service levels on offer and stock availability. We have continued to focus on optimising returns from the existing store estate, adding new locations selectively where we believe strong opportunities exist. We also target tactical relocations of individual stores where this is supported by a local market opportunity. In the last 12 months we opened 16 new stores and closed nine (of which four were relocations or rebrands), resulting in a net increase of seven stores to bring the total, at year end, to 335. These new stores have performed well and we remain very satisfied with the return on investment. In the year ahead we have plans in place to increase the core store estate by a net five new units plus the plans for our Boutique format detailed below.

A year ago we announced that we would trial a new smaller format, Topps Tiles Boutique. The primary goal of this initiative was to address the difficulty of finding suitable properties in locations which would be unsuitable for our traditional larger format stores. This constraint on growth has been addressed by targeting primarily high street locations where we commenced an initial trial of five Boutique stores in and around London. Early trading indications from these stores have been very encouraging. We are continuing to refine the format and are working to better understand how customers interact between the Boutique stores and the core estate.

As expected, this trial has also generated important learnings and ideas relevant to the core estate which we have started implementing to all stores. In addition, core stores located near a Boutique store are experiencing a "halo effect" of above trend sales improvements which we believe demonstrates that these new stores are having a positive impact on perceptions of the Topps brand. Following a review of the Boutique format and the five stores we currently have trading, we plan to extend the programme to a further 10-12 stores in the current financial year, including establishing a second geographic cluster in the North West of England.

We have continued to invest in the existing store estate. In addition to the improvements made to all stores mentioned above, we have carried out a programme during the year which saw us fully refit 14 stores and conduct a programme of minor improvements in seven of our top 10 performing stores. We intend to continue this programme by fully refitting 15 stores in the year ahead.

Our Topps Tiles Clearance stores have also had a successful year. In the prior year we rebranded all of these clearance outlets under the Topps branding and we have found that customers have responded very favourably to this initiative. These stores continue to occupy an important place in our customer offer and can successfully cater for our most price conscious customers.

ONLINE

The web is a vital part of our customers' pre-purchase research and inspiration process and is a key element in the multi-channel convenience we offer. As a result 70% of our customers use our website at some stage of their shopping journey, however a purchase online is often the result of several trips to store. We therefore believe the 'pure play' online market for tiles remains very small and our ability to combine our website offering with the skilled advice and convenience available through a physical store presence gives us a significant competitive advantage over any pure play online retailer of tiles.

Our e-commerce sales have now passed £6 million (2013: £3 million) and we have the number one UK site for visitors within our sector with over 150,000 unique visitors a week. In addition, customers also use the website to pay for a further £9 million (2013: £7 million) of sales which they initiated in store or over the phone but have chosen to pay for remotely.

TELEPHONE ORDERING AND WEB CHAT FUNCTION

Despite the emergence of online as a complementary channel to our stores, customers still place great value on the ability to talk to our store teams and our support office to arrange orders, seek advice and make payment. This year we have also launched a live web chat service where customers who are online can instantly message one of our Customer Service Operatives and get answers to their queries before they order. The seamless integration of all of these channels is crucial to maximising customer convenience.

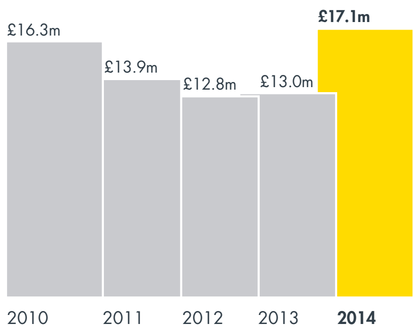
70% of our customers use our website at some stage during their shopping journey

Number one UK website for visitors within our sector with over 150,000 unique visitors a week

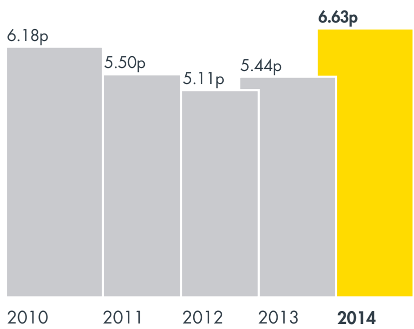
Topps Tiles Boutique: Offering inspiring collections of the very best quality tiles and exceptional levels of service.

STRATEGIC AND OPERATIONAL REVIEW
CONTINUED

ADJUSTED PROFIT BEFORE TAX



ADJUSTED EPS



Read more in the **Financial Review** on page **22**

TRADE CUSTOMERS

Sales to tile fitters accounted for 46% of revenues in the period (2013: 43%), continuing the strong growth trend of recent years and reflecting the continued momentum of the "do it for me" trend identified across the home improvement sector. Whilst tradesmen are a distinct customer group they are becoming increasingly important as an alternative channel to market for Topps, with some of our customers being introduced through their chosen tile fitter. Of these new customers, a portion will transact directly with us, with the remainder finding it more convenient to transact through their fitter, such that we may never deal with those end consumers directly. Our strategy is focussed on offering maximum convenience to all of our customers, regardless of how they choose to shop with us.

Trade loyalty rewards and communications were increased this year. During the year we have launched a "rewards card" with excellent results – with over 2,500 traders now actively collecting towards vouchers to spend at Topps. The greater use of our trader database has meant we are targeting rewards and promotional messages more effectively. We have seen a strong reaction to this marketing activity, supported by the many new trade products and improved deals on offer. The relationship between our store teams and their trade customers remains a key element of our success in this sector of the market. Research consistently demonstrates that our trade customers value the high levels of technical knowledge we provide and the exceptional levels of service we offer.

We continue to see good growth potential in our trade business as homeowners increasingly rely on specialist tradesmen to complete their tiling projects, and expect the proportion of Group sales coming through this channel to increase further in the coming years.

COLLEAGUE ENGAGEMENT

It is imperative that all of our people have a clear understanding of the organisation's goals and the strategic plan to attain them. We invest significant time and effort in communicating and engaging all of our colleagues in our plans for the business. During the year we held two manager roadshow events at our HQ; the main event attended by almost two thirds of our people and the interim update attended by all of our store and support office managers. In addition to these primary communication events we regularly update our colleagues on the Company's progress via email, our radio station, Tiles FM, and in-house magazine, Quartile. We also operate a very successful employee forum, TeamTalk, which allows colleagues to have their say in how we operate our business, and we conduct an annual colleague engagement survey.

FINANCIAL OBJECTIVES

In addition to the key operational objectives highlighted in the Strategic Review above, the business maintains a strict financial discipline, including:

- Primary focus on increasing revenues and cash generation, maintaining cost disciplines and optimising gross margins.
- Capital structure and net debt – the level of net debt has now been reduced to a point that the Board feels is an appropriate balance of an efficient capital structure and financial flexibility. The business remains highly cash generative and as we move forwards the Board envisages a greater share of earnings being returned to shareholders in order to maintain a target level of net debt.

CASE STUDY

TOPPS TILES MARKETING

PHIL SPENCER, OUR BRAND AMBASSADOR

Scan the QR code to watch our latest TV commercial here

As we seek to grow our market share, our marketing strategy is focussed on further broadening our customer base by persuading new customers to consider Topps first – either online or through a store visit. Recently, Topps Tiles completed a national TV advertising campaign in support of the successful "Up to 1/3 off" promotion. The advert was aired alongside high profile shows on ITV, Channel 4 and Sky 1 such as Downton Abbey, Escape to the Country, Grand Designs and Location Location Location.

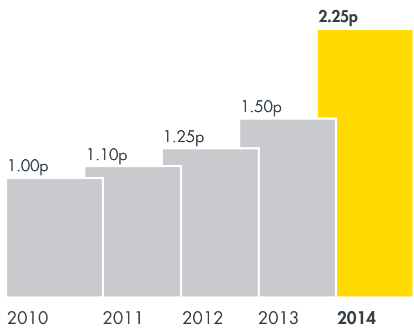
Increased investment in PR has seen us build on our existing coverage and secure high profile pieces in titles such as The Sunday Times, The Telegraph and the London Evening Standard. In addition, September saw the start of our relationship with Brand Ambassador Phil Spencer, who began the partnership by recording the voiceover for the television advert and opening the Boutique store in Bayswater.

Trade direct communications were up-weighted again this year; increased investment in this area and the greater use of our trader database has meant we are targeting messages more effectively and we have seen a strong reaction to this marketing activity, supported by the many new trade products and improved deals on offer.

As we rebrand the business to our new charcoal, white and yellow design our communications are increasingly focussed on promoting our outstanding range of tiles and associated products, at prices to suit all pockets, coupled with excellent and knowledgeable customer service.

STRATEGIC AND OPERATIONAL REVIEW
CONTINUED

TOTAL DIVIDEND



- Maximising earnings per share and shareholder returns, including bi-annual review of our dividend policy.

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

CORPORATE SOCIAL RESPONSIBILITY

Topps has a long standing Corporate Social Responsibility (CSR) agenda covering Community and Charity, Environment and Our People. The full detail of our current CSR activities is detailed later in this document. We take the impact of our business on our environment extremely seriously and have included a range of environmental metrics within the Directors' Report Section of this report.

HUMAN RIGHTS

We are also very mindful of human rights issues within our organisation. The key area in which this would impact our business is in our supply chain. All of our directly employed colleagues are based in the UK and covered by UK employment law, with which we are fully compliant. Within our supply chain we source from factories in many countries around the world. Our specialist team of buyers and their agents personally inspect factory facilities to satisfy themselves with regard to working conditions before new suppliers are engaged. We also have commercial agreements in place that require our suppliers to be fully compliant with local laws and we pay particular attention to labour standards and factory conditions. No issues were raised during the year.

DIVERSITY

The Nominations Committee reviews the balance of skills, knowledge and experience on the Board regularly. Its policy with regard to gender is that we recognise the need for a greater level of diversity across all levels in our organisation, however we do not endorse positive discrimination and encourage colleagues to appoint the very best possible candidate to the post. During the year we have seen an improvement in overall diversity but also recognise that within our senior manager population we are lacking diversity.

Metro: Monochrome colour schemes are one of the most timeless yet stylish ways to incorporate herringbone into your home.

Our workforce at period end date comprises:

	2014			2013		
	Male	**Female**	**Total**	Male	Female	Total
Directors	**5**	**1**	**6**	5	1	6
Senior Managers	**14**	**0**	**14**	13	1	14
Other Employees	**1,459**	**338**	**1,797**	1,407	291	1,698
Total Employees	**1,478**	**339**	**1,817**	1,425	293	1,718
% of total	**81.3%**	**18.7%**		82.9%	17.1%	

EQUAL OPPORTUNITIES

At Topps Tiles we are committed to equal opportunities and ensure that we hire on potential, promote on talent and reward on success. We aim to promote equality of opportunity in employment regardless of age, gender, colour, ethnic or national origin, culture, religion or other philosophical belief, disability, marital or civil partnership status, political affiliation, sexual identity or sexual orientation.

RISKS AND UNCERTAINTIES

The Board conducts a continuing review of key risks and uncertainties. During the year the Audit Committee has discussed the key strategic risks, the likelihood and impact of these occurring and mitigants we have in place. For further information see pages 26 and 27.

GOING CONCERN

When considering the going concern test the Board reviews several factors including a detailed review of the above risks and uncertainties, the Group's forecast covenant and cash headroom against lending facilities (which were refinanced in June 2014) and management's current expectations. As a result of this review the Board believes that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern. Therefore, the Board considers it appropriate to prepare the financial statements on the going concern basis.

CURRENT TRADING AND MARKET CONDITIONS FOR THE YEAR AHEAD

2014 was a successful year for Topps and we are now trading against much stronger prior year comparatives, which will logically make maintaining the same level of growth that we delivered in 2014 more challenging. Against this backdrop, the new financial period has started well with like for like sales over the first eight weeks of our new year increasing by 6.7%. Macro-economic indicators remain positive and the Group's successful strategy of taking profitable market share is underpinning further progress.

Matt Williams
Chief Executive Officer

Rob Parker
Chief Financial Officer

25 November 2014

FINANCIAL REVIEW

Rob Parker
Chief Financial Officer

> The environment in which we operate continues to be highly competitive and we remain focussed on delivering our customers the very best value at the same time as also generating improved returns.

£195.2m
Revenue
2013: £177.8m

60.9%
Gross margin
2013: 60.2%

PROFIT AND LOSS ACCOUNT

Revenue

Revenue for the period ended 27 September 2014 increased by 9.8% to £195.2 million (2013: £177.8 million). Like-for-like store sales increased by 8.1% in the period, which consisted of a 10.2% increase in the first half of the financial period and a 6.1% increase in the second half.

Gross Margin

Overall gross margin was 60.9% compared with 60.2% in the previous financial period. At the interim stage of the period gross margin was 60.8%, and we recorded a gross margin of 60.9% in the second half of the period. The environment in which we operate continues to be highly competitive and we remain focussed on delivering our customers the very best value at the same time as also generating improved returns.

Operating Expenses

Total operating costs have risen from £93.2 million to £100.7 million, an increase of 8.0%. Costs as a percentage of sales were 51.6% compared to 52.4% in the previous period. When adjusting items (detailed below) are excluded, operating costs were £100.2 million (2013: £91.5 million), equivalent to 51.3% of sales (2013: 51.5% of sales).

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

- Inflation at an average of approximately 1.8% has increased our cost base by around £1.7 million
- The average number of UK stores trading during the financial period was 329 (2013: 321), which generated an increase in costs of approximately £1.8 million
- Employee profit share costs have increased by £3.5 million due to targets across the business being exceeded as a result of the strong business performance
- Marketing costs for the year were £4.7 million, an increase of £1 million from the previous year
- The strong sales growth we have delivered this year drives an increase in supply chain activity of approximately £0.3 million
- The remaining elements of the cost base are flat when compared to the prior year.

During the period we incurred several charges which we have excluded from our adjusted operating costs as they are not representative of the underlying cost base of the business. These charges relate to impairments of plant, property and equipment of £0.3 million (2013: £0.6 million) and business restructuring costs of £0.2 million (2013: £0.2 million). The charge against property related provisions was £nil (2013: £0.9 million charge). Property related provisions are driven by providing forward for four years the expected costs of loss making or closed stores. Any change to the property provisions would be driven by either a change in the number of stores impacted or a change in the forward period provided for.

Operating Profit

Operating profit for the period was £18.2 million (2013: £13.8 million).

Operating profit as a percentage of sales was 9.3% (2013: 7.8%).

Excluding the adjusting items detailed above, operating profit was £18.7 million (2013: £15.6 million).

Other Gains and Losses

During the period we disposed of one freehold property generating a gain of £0.4 million. In the prior year we disposed of one freehold property at the carrying value of the investment and also recognised a further gain of £0.1 million relating to a previous disposal of the Fenton warehouse.

Financing

The net cash interest charge for the year was £1.6 million (2013: £2.5 million), excluding the impact of currency revaluations. The underlying interest charge has fallen compared to the prior financial period due to a decision to cancel the remaining element of the interest rate derivatives in the previous financial year. The prior year included a charge for the cancellation of outstanding interest rate derivatives of £5.9 million, which was substantially offset by the reversal of a "marked to market" accrual the company had previously provided for.

The company has in place a number of forward currency contracts giving rise to a "marked to market" revaluation as required by IAS39 "Financial Instruments: Recognition and Measurement". This revaluation has generated a fair value (non-cash) gain of £0.1 million (2013: £nil). The combined net gain for the year is therefore £0.1 million (2013: £0.2 million gain). Due to the nature of the underlying financial instruments, IAS39 does not allow hedge accounting to be applied to these losses and hence any gains or losses against these derivatives is applied directly to the income statement rather than being offset against balance sheet reserves.

In addition to the above charges and gains we have also provided for £0.1 million of interest against historic outstanding potential tax payments. In the prior year period we included a charge of £1.0 million against these potential liabilities; £0.9 million of this cost had previously been charged against tax and as a consequence there was an offsetting impact included within the Group's tax charge for the year.

Net interest cover was 14.2 times (2013: 7.4 times) based on earnings before interest, tax, depreciation and the impairment of plant, property and equipment, excluding the impact of IAS39 in finance charges and the write-down of the unamortised issue costs relating to the 2011 Revolving Credit Facility.

Profit Before Tax

Reported profit before tax was £16.7 million (2013: £10.6 million).

The Group profit before tax margin was 8.6% (2013: 6.0%)

Excluding the adjusting items detailed on page 1 profit before tax was £17.1 million (2013: £13.0 million).

Tax

The effective rate of Corporation Tax for the period was 25.0% (2013: 13.7%).

The prior period rate includes the effect of a release of £0.9 million relating to historical corporation tax provisions no longer required. When this adjustment is taken into account the underlying prior period tax rate was 21.8%.

The Group tax rate is higher than the prevailing UK Corporation Tax rate due to non-deductible expenditure and depreciation on assets not qualifying for capital allowances.

Earnings Per Share

Basic earnings per share were 6.49 pence (2013: 4.76 pence).

Diluted earnings per share were 6.43 pence (2013: 4.73 pence).

Excluding the adjusting items detailed on page 1, adjusted earnings per share were 6.63 pence (2013: 5.44 pence).

£17.1m
Adjusted profit before tax
2013: £13.0m

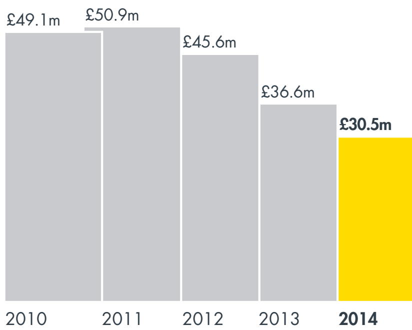
6.49p
Basic earnings per share
2013: 4.76p

2.25p
Total dividend
2013: 1.50p

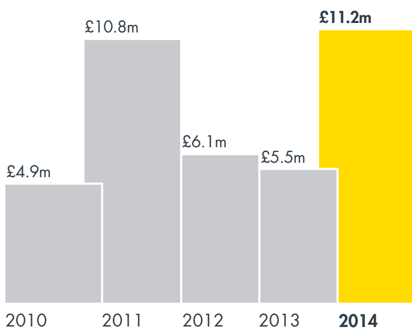
FINANCIAL REVIEW
CONTINUED

We offer a fast and efficient delivery service or simply carry goods for our customers to their car.

NET DEBT



CAPITAL EXPENDITURE



Dividend and Dividend Policy

The Company has delivered a strong financial result this year and the Board feels it is appropriate that this is also reflected in the dividend for the year. The Group's net debt position has also now reduced to a level the Board considers to be an appropriate balance of an efficient capital structure and financial flexibility.

To this end we are recommending to shareholders a final dividend of 1.60 pence per share (2013: 1.0 pence per share). This will cost £3.1 million (2013: £1.9 million). The shares will trade ex dividend on 29 December 2014 and, subject to approval at the Annual General Meeting, the dividend will be payable on 30 January 2015.

This brings the total dividend for the year to 2.25 pence per share (2013: 1.50 pence per share), an increase of 50%.

BALANCE SHEET

Capital expenditure

Capital expenditure in the period amounted to £11.2 million (2013: £5.5 million), an increase of 103.6%. Investment in our stores accounts for £7.6 million (2013: £4.2 million) and includes 12 new openings, two conversions, two relocations and 21 full or part store refits. There have been three freehold purchases in the period at a cost of £2.9 million (2013: no freehold purchases). The remaining expenditure primarily consists of investment in IT infrastructure of £0.7 million (2013: £1.1 million).

At the period end the Group held eight freehold or long leasehold sites including two warehouses and distribution facilities with a total carrying value of £16.0 million (2013: six freehold or long leasehold valued at £13.6 million).

Property Disposals

During the period we disposed of one freehold property and generated proceeds of £0.6 million (2013: one property generated £0.4 million).

Inventory

Inventory at the period end was £27.8 million (2013: £26.2 million) representing 133 days' turnover (2013: 135 days' turnover). This small increase in stockholding is driven by an increase in the number of stores trading at year end of 335 (2013: 328).

Capital Structure and Treasury

Cash and cash equivalents at the period end were £19.5 million (2013: £18.4 million) with repayable borrowings at £50.0 million (2013: £55.0 million).

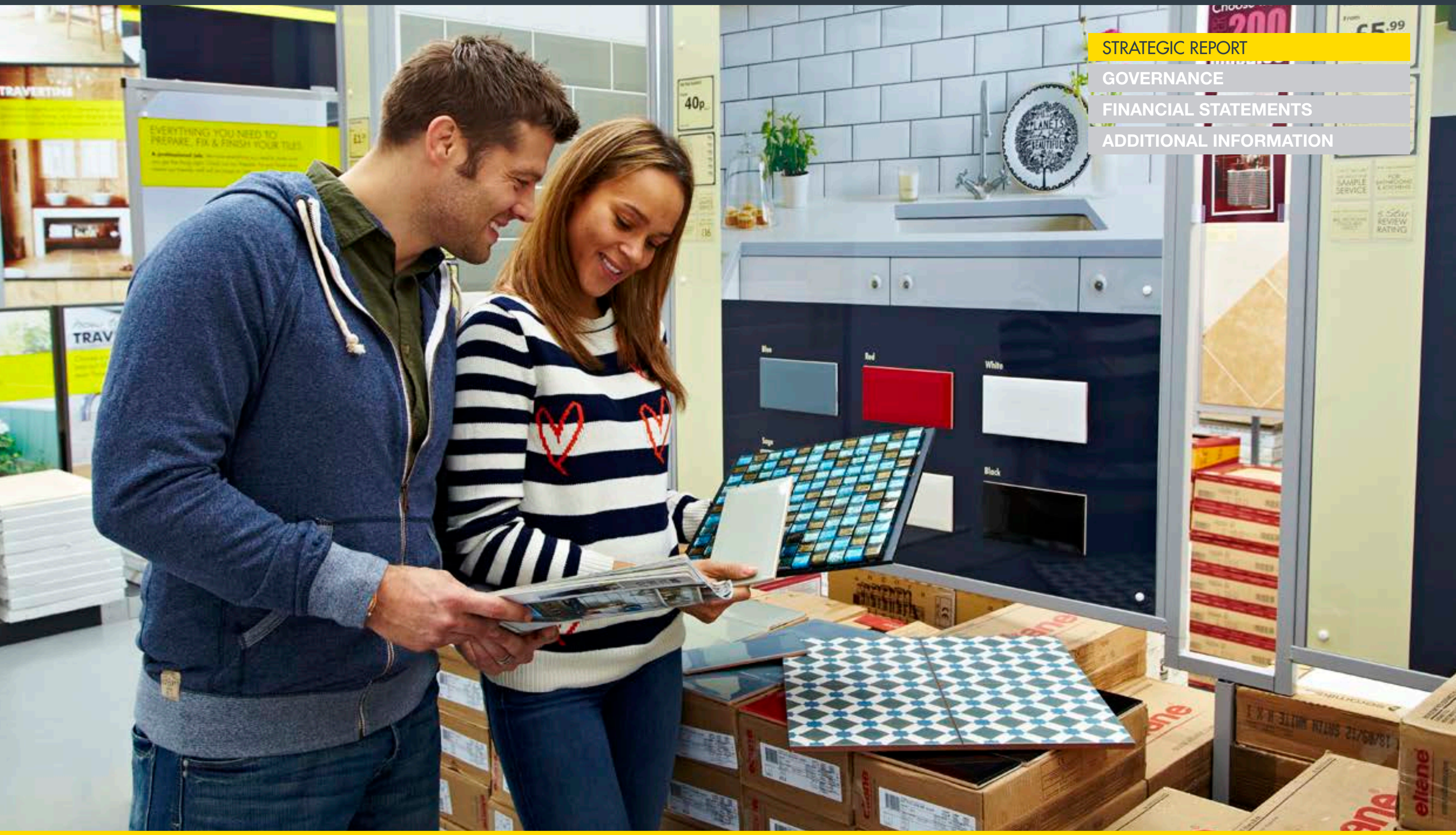
This gives the Group a net debt position of £30.5 million (2013: £36.6 million).

Cash flow

Cash generated by operations was £24.9 million, compared to £28.2 million last period. The reduction in cash generation year on year is as a result of the prior year period including a working capital gain which was generated from the timing of year end and has not repeated in the current financial period.

Rob Parker
Chief Financial Officer

25 November 2014



Our sample service enables our customers to trial before they buy.

CAUTIONARY STATEMENT

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

The Strategic and Operational Review and Chairman's Statement contain 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 Strategic and Operational Review, have complied with s414a 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.

DIRECTORS' RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge:

- the Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic 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 and a fair, balanced and reasonable view of the business.

ANNUAL GENERAL MEETING

The Annual General Meeting for the period to 27 September 2014 will be held on 22 January 2015 at 10.00am at Topps Tiles Plc, Thorpe Way, Grove Park, Enderby, Leicestershire LE19 1SU.

Matt Williams
Chief Executive Officer

Rob Parker
Chief Financial Officer

25 November 2014

RISKS AND UNCERTAINTIES

The Board conducts a continuing review of key risks and uncertainties. During the year the Audit Committee has discussed the key strategic risks, the likelihood and impact of these occurring and mitigants we have in place.

UK ECONOMY AND CONSUMER CONFIDENCE		
RISK The economy may deteriorate and impact on consumer confidence.	IMPACT Consumers need to feel confident to invest money into their homes. In the event of a significant reduction in house prices, housing transactions or consumer confidence we would expect this to adversely impact on business performance.	MITIGATION Our strategy is focussed on taking an ever greater share of our market and we believe the business is sufficiently robust to withstand short-term trading pressures. Longer term we consider that the UK housing market remains attractive and we believe there remains significant upside from a sustained economic recovery. In addition the business model has proved its ability to withstand short-term trading pressures on several occasions in recent years.
APPROPRIATE BUSINESS STRATEGY		
RISK Our business strategy will not be successfully delivered.	IMPACT Without a clear company goal and a well understood strategy to deliver, the risk is that the business loses focus and fails to deliver its objectives.	MITIGATION The strategy is reviewed annually, updated as required and approved by the Board. Biannual communication events ensure around two thirds of all colleagues are directly briefed by the Executive and regular updates are provided to all colleagues on our progress towards our goals. The Board reviews progress on key strategic initiatives at each meeting.
THREAT OF NEW ENTRANTS		
RISK New entrants may seek to erode our market share.	IMPACT Lower market share leading to reduced sales and profitability.	MITIGATION We constantly review our competitor set but at the same time we are clear on what differentiates Topps from its competitors. Exceptional customer service, market leading product offer and unrivalled multi-channel convenience are the key elements of our business which, whilst imitated, have never effectively been replicated.
LOSS OF KEY PERSONNEL		
RISK The loss of key individuals could impact on the ability of the business to deliver its objectives.	IMPACT Increased competition also introduces the risk of increased colleague turnover and the resulting loss of knowledge, disruption and associated costs.	MITIGATION Colleague turnover is monitored closely (and is included in the KPIs section of this report). We also conduct an annual colleague survey to gauge the views of our people across the business. Pay and benefits are benchmarked to ensure we are rewarding our people in line with their contribution to the business. In addition we have a detailed succession plan for each key executive.

LOSS OF KEY PERFORMING STORES		
RISK The loss of key performing stores which contribute a material amount of Group earnings.	IMPACT Loss of a multiple number of top performing stores could cause a material impact on the company's profitability.	MITIGATION We conduct regular reviews of all stores' profitability and for our most profitable units security of tenure is key. We review lease terms where appropriate and will pro-actively re-gear leases to ensure we always have at least several years of security. Given our geographic coverage it is also likely that if a key performing store did close we would migrate some sales into neighbouring stores. We also recognise that freehold is the ultimate mitigant and as part of our continuing review of key stores we consider this where appropriate.
LOSS OF A KEY SUPPLIER		
RISK The loss of a key supplier could impact on our ability to trade.	IMPACT The loss of a key supplier would potentially lead to disruption in supply of key selling products leading to loss of sales and profits.	MITIGATION Our supply chain is diverse and due to our scale we can source products directly from manufacturers anywhere in the world. For most products we sell there is an alternative available. If there was not, this would affect the entire marketplace and accordingly should not lead to a loss of competitiveness.
FINANCING		
RISK The Group has a £50 million revolving credit facility in place which was refinanced in June 2014 and expires in June 2019. The loan facility contains financial covenants which are tested on a biannual basis. The key risks would be either not negotiating new facilities in advance of expiry or breaching a loan covenant which would have an adverse impact on the Group's financing position.	IMPACT The most likely impact of not being able to renew the loan facility would be the requirement to raise additional funding from shareholders. The impact of breaching a loan covenant would likely be financial in terms of additional charges and fees. At its worst it would also mean the loan would be repayable which would be likely to result in a fundraising.	MITIGATION Loan renewal discussions are conducted well in advance in order to allow sufficient time to cater for different negotiation scenarios and would include both existing and new banks to gauge interest. Loan covenants are measured monthly and reported to the Board. The company planning model is updated several times a year and gives good forward visibility. Any potential issues would be dealt with well in advance by proactive discussions with lenders.

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.

CORPORATE SOCIAL RESPONSIBILITY

We have donated tiles and tiling accessories to a host of community and local charity projects.

We have led the way in helping to develop the growing art of mosaics.

As a business with a national presence and international procurement we take seriously the impact we have in the places where we do business.

Over the last eleven years we have developed our Corporate Social Responsibility (CSR) policies to respond to the growing needs we face to be good neighbours in the communities where we trade, help protect our environment and properly look after the people we employ.

The Board have been fully engaged in this process from its outset and in 2013 we appointed our non-executive director Andy King to have specific responsibility for further developing policies in this area.

We are proud of our achievements in this field to date, which have seen us become a major supporter of national charities, significantly reduce our environmental impact and fully invest in the people we employ.

OUR COMMUNITY AND CHARITY WORK

At the heart of all of our community and charity work are our staff. They play an active role in helping us to become "good neighbours" in the communities where we trade and through a company-wide ballot they decide, every five years, which national charity they want to support.

MOSAIC ART

Locally we have been able to support both arts and youth sport. We have led the way in helping to develop the growing art of mosaics. Children and adults alike have benefitted from our sponsorship of the schools based competition Mega Mosaic Makers, organised by The British Association for Modern Mosaic (BAMM). In addition, with the start of the Tour De France this year being in Yorkshire, we were proud sponsors of the work undertaken by students from the Workers Educational Association (WEA) who crafted a unique piece of tile based art to celebrate the start of the Race.

YOUTH FOOTBALL

Topps have always recognised the benefits that participation in sport can bring to the communities in which we trade. So we have maintained our support of youth football with over 300 teams currently benefitting from our sponsorship.

CHARITY SUPPORT

Following a company-wide ballot in 2008, Topps employees voted to support the then fledgling charity Help for Heroes. Since then they have undertaken hundreds of charity fundraising events to help raise over £250,000 for the charity and consequently received an award for "Outstanding Support". Locally, in our role as a good neighbour, we have been delighted to support projects as diverse as community mosaics in Deptford, a farm school in St Albans and an educational refurbishment project in Wokingham through the donation of tiles and tiling accessories.

ENVIRONMENTAL IMPACT

To ensure that Topps can become a more sustainable business our environmental programme has focussed on three key areas, namely: reducing the energy used in our stores; waste recycling and reduction; and lowering the emissions from our transport fleet.

In our stores lighting and heating has both a major environmental and cost impact on the business.

So to reduce this we have taken the following steps.

From October 2013 all our electricity has come from renewable sources.

We are now nearing the end of a programme, begun in 2010, which has seen us replace old inefficient lighting in our stores with modern low energy use equipment.

"Over the last eleven years we have developed our Corporate Social Responsibility (CSR) policies to respond to the growing needs we face to be good neighbours in the communities where we trade, help protect our environment and properly look after the people we employ."

Sponsorship of youth football is an important part of our community relations programme.

To help us accurately monitor and control our use of energy we are working with our utility provider to install smart meter systems in all our stores. This programme, to be completed by 2015, together with our continuing review of new technologies in this field will help us in being able to make further energy use reductions wherever we identify opportunities.

Carbon emissions from the business are included within the Strategic Review section of the Directors' report.

WASTE

We continue to make significant progress with our waste management programme as it forms a key part of our environmental agenda.

In all of our stores we now have a system of dry mixed recycling. This enables cardboard, paper, newspaper, plastic film, bottles, steel and aluminium cans all to be collected by our refuse partner using only one bin. In parallel we have introduced recycling facilities in all our offices for paper, cardboard, hard plastics and cans. In addition old IT equipment is also included in our waste management programme. We use our own transport fleet to ensure that store generated waste is brought to our distribution centre at Grove Park Leicester for onward transport for recycling. The number of journeys for this purpose are minimised by the use of compaction techniques.

Our goods handling at the warehouse also produces waste. So to reduce the impact that this could have on landfill we have identified seven distinct waste streams, namely polypropylene banding, plastic, polythene, cardboard, scrap metal, wooden packaging, tiles and end of life pallets, all of which are now segregated where they occur and processed through our recycling partner.

TRANSPORT

Our fleet of articulated lorries covered 1.8 million miles this year to ensure our stores receive the stock they need. Providing this service as efficiently as possible is key to reducing the emissions from our transport fleet. Our aim is to become best in class for fuel efficiency for the goods that we carry. Our plan to achieve this involves the following:

- Use the experience gained this year from the introduction of more fuel efficient and lower emission tractor units from DAF and Renault to guide us in our selection of 15 replacement vehicles in 2015.
- Ensure that new purchases comply with the new European emission standard Euro 6.
- Work closely with leading trailer manufacturers to ensure that our future fleet incorporates the latest lightweight design features and maximises load carrying capacity in order to further minimise emissions per pallet of tiles that they deliver.

We are one of the biggest supporters of youth football in the UK and currently support over 300 youth teams nationwide.

Topps is proud to be involved in helping children in our local communities to get outdoors and become active.

CORPORATE SOCIAL RESPONSIBILITY
CONTINUED

SUPPLY CHAIN

We source the products we sell from around the world to bring the latest styles and designs to the UK market. To address any possible concerns that affect labour standards, factory conditions and human rights, our buyers and buying agents conduct regular supplier visits and factory tours to ensure that all contracts for supply of goods include our requirements in relation to each of these issues.

We actively encourage all of our suppliers to complete our Ethical Sourcing and Environmental questionnaires which cover two main principles:

- Employing a free, safe and fairly treated workforce
- Compliance with all environment legislation, optimised recycling and minimising environmental impact.

Through 2014 we comprehensively reviewed all of our product suppliers from an Ethical and Environmental Sourcing stance. All our ongoing product supply partners meet standards we would expect and are 100% compliant with our Ethical Sourcing and Environmental programmes.

All our ceramic and porcelain tiles and natural stone products are fully compliant with European standards; all boxes and crates carry the CE marking. The Declaration of Performance (DOP) certificates are available upon request and are held on our CE database.

We have a policy on timber products and have adopted the principles and criteria of the Forest Stewardship Council as our benchmark.

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

OUR PEOPLE

Our employees are a central focus for us and we want them to feel engaged and proud of their Company. In doing this we strive to create a store environment which is inspiring to both our employees and our customers.

EMPLOYEE WELLBEING

We provide an employee helpline service for all employees to give them a channel for expressing concerns and seeking advice regarding workplace issues.

Our in-house Health and Safety team also maintains regular dialogue with staff. They 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 and Safety Committee, which meets on a biannual basis and is chaired by a main Board Director, Rob Parker.

We also provide an Employee Assistance Programme to give all employees access to information, resources and counselling to help balance work, family and personal life.

2014 also saw the launch of a number of initiatives to bring greater benefits to all our colleagues such as a Cycle to Work Scheme, enhanced Maternity and Paternity Pay and enhanced Company Sick Pay as well as updates to key policies.

Our employees are a central focus for us and we want them to feel engaged and proud of their Company.

In June 2014, we were announced as the National Winners in the Employer of Year NIACE (National Institute Adult Continuing Education) Adult Learners Week Awards.

COMMUNICATION AND ENGAGEMENT

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

We have a number of existing communication channels, including an internal magazine, quarterly H&S bulletin and a weekly stores bulletin. In addition, we have an intranet which was relaunched this year.

This is now a key employee engagement tool and acts as a "one-stop shop" for all information that colleagues across the business require.

As part of our focus on engagement, we have conducted a series of colleague conferences, taking around two thirds of our entire colleague population through our ongoing strategic three year plan, and ensuring all employees understand, and are part of, our vision.

Our employee representative forum (TeamTalk) is now firmly embedded across the entire business and continues to provide a framework for employees to participate in two-way communication, giving them a platform from which to help shape and influence decision making within the Group.

As an initiative to measure, recognise and improve employee engagement levels, we have recently completed the Best Companies annual survey. Last year we were awarded the Best Companies 'Ones to Watch' status and we are striving to achieve the accolade of a Best 100 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 colleagues to apply for internal vacancies and promotions.

Rewarding our employees for all their hard work is part of the Topps ethos and everyone has the opportunity to enhance their basic pay through additional performance-related incentives.

In addition to the above measures, we have an annual "back to the floor" programme where every member of the management team spends time working in our stores – we believe this provides us with a much greater level of understanding of our business and of our colleagues' needs.

119 store colleagues are currently enrolled on a Retail and Team Leading Apprenticeship programme.

Topps is a Top 100 Apprenticeship employer.

CORPORATE SOCIAL RESPONSIBILITY
CONTINUED

"119 store colleagues are currently enrolled on a Retail and Team Leading Apprenticeship programme delivered by our in-house team of trained assessors. Of these a total of 45 are working towards Advanced Apprenticeships (Level 3) and 69 towards Intermediate Apprenticeships (Level 2)."

EMPLOYEE DEVELOPMENT

As a Group we actively encourage employee development, and as such we have introduced a three year Learning and Development Plan.

We have a strong culture and history of growing and developing our people from within the organisation and it is important to us that our employees fulfil their potential during their working time at Topps.

119 store colleagues are currently enrolled on a Retail and Team Leading Apprenticeship programme delivered by our in-house team of trained assessors. Of these a total of 45 are working towards Advanced Apprenticeships (Level 3) and 69 towards Intermediate Apprenticeships (Level 2).

In addition to our current programme, over 700 existing store colleagues have already achieved the above qualifications and five are currently working towards the Team Leading qualification.

This year we also enrolled an additional 20 apprentices on a Retail Intermediate Apprenticeship programme that includes being trained and mentored in-store by our colleagues.

We have two head office apprenticeships within the HR Administration and Property Administration teams.

In June 2014, we were delighted to be announced as the National Winners in the Employer of Year NIACE (National Institute Adult Continuing Education) Adult Learners Week Awards.

This year saw our Learning and Development team invited to the Houses of Parliament to take part in a discussion on adult learning and its impact in business for future policy.

Topps Tiles was one of over 1,600 entrants for this year's National Apprenticeship Awards, which celebrates the achievements of the country's most outstanding apprenticeship employers and their apprentices. We are delighted to announce that we were announced as a Top 100 apprenticeship employer and this award demonstrates the quality and impact of our apprenticeship programmes.

In April 2014 the Group retained its Investors in People award for a further three years.

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

2014 saw the launch of a number of initiatives to bring greater benefits to all our colleagues.

CASE STUDY

LEARNING & DEVELOPMENT

SHANA ESWORTHY

Topps Tiles Swindon,
Customer Sales Advisor

Shana was given the opportunity to undertake the Topps Tiles Retail Intermediate Apprenticeship programme by her Store Manager. Shana was initially reluctant as her confidence was low and she doubted her ability to complete the qualification. When Shana enrolled onto the course she found that her confidence grew quickly, which in turn reflected in an increase in her personal sales. Shana has used the skills she has learnt to support a new member of the team with their initial induction and training. The course was also a big support in increasing her abilities with both Mathematics and English skills, meaning she could work out customers' measurements independently without having to ask for help from colleagues. Shana has thanked the business as with her new improved skills she was able to confidently hand write thank you notes to her family and friends following her wedding. Shana tells us that the learning and development she has undertaken with us has genuinely changed her life for the better.

NEIL TOPPING

Topps Tiles Folkestone,
Assistant Store Manager

Neil was earmarked by his Area Business Manager as a potential manager of the future and to support him with this he was nominated to complete the Topps Tiles Retail Advanced Apprenticeship programme. Neil had a wealth of retail experience but needed to increase his knowledge and skills in how managers should behave and lead others and he found this came quickly with his qualification. Neil immediately began to implement what he was learning into his day to day working life. He found his increased knowledge around health and safety, confidentiality legislation and customer service management particularly beneficial. Both Neil's colleagues and family have commented to him on the positive impact of his increased knowledge and confidence. Within six months of starting the qualification, Neil was promoted to Assistant Store Manager within the Folkestone store. Neil feels that the learning and development he has undertaken has opened up many opportunities for him and has now set himself a goal of becoming a Store Manager.

BOARD OF DIRECTORS

1 RT. HON. MICHAEL JACK
Privy Councillor MP
Non-Executive Chairman

Michael's business management experience came from P&G, Marks and Spencer and a subsidiary of Northern Foods. He concluded his career as an MP in 2010, after 23 years, during which time he served as a Minister in four Departments including the Treasury, as Financial Secretary. He also chaired the EFRA Select Committee. Currently he chairs the Treasury's Office of Tax Simplification and is the Food and Farming Advisor to HSBC Bank. He joined the Board of Topps Tiles in 1999.

2 MATTHEW WILLIAMS
Chief Executive Officer

Matt joined the Company in 1998 as Property Director soon after its IPO. He spent the next six years expanding the Company's store base, acquiring more than 200 new sites, which still make up a large part of the store portfolio today. Promoted to the role of Chief Operating Officer in 2004 and joining the Plc board in 2006, he was a key member of the team that established Topps as the leading specialist tile retailer in the UK. In 2007 he was promoted to Chief Executive Officer. Matt is also a non-executive director of The Original Factory Shop.

3 ROBERT PARKER
Chief Financial Officer

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 ten years, ultimately as Director of Finance for Boots Retail International. He is responsible for all aspects of finance, human resources, property, IT, and company legal matters.

4 ALAN WHITE (B, C, D, E)
Non-Executive Director

Alan is Non-Executive Chairman of Hotter and an NED of Direct Wines, having retired as CEO of N Brown Group in October 2013 after 11 years in the role. He qualified as a chartered accountant with Arthur Andersen and has been Group Finance Director for Sharp Electronics (UK), N Brown Group Plc and Littlewoods Plc. He joined the Board of Topps Tiles in April 2008.

5 CLAIRE TINEY (F, D, C)
Non-Executive Director

Claire runs her own business as an HR Consultant, Executive Coach and Facilitator, having spent 15 years as an Executive Director in a number of retail businesses including Mothercare and WH Smith. Most recently she was HR Director at McArthurGlen, the developer and owner of designer outlet villages throughout Europe. She was previously a Non-Executive Director of Family Mosaic and is also a Non-Executive Director of Grey 4 Gold. Claire joined the Board of Topps Tiles in November 2011.

6 ANDY KING (G, C, E)
Non-Executive Director

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

STUART DAVEY (A)
Company Secretary and Secretary of Board subcommittees

Stuart qualified as a solicitor in 1987. He joined Topps Tiles in 2005 having previously worked in private practice and "in house" with National Westminster Bank Plc. Stuart became Group Lawyer in 2010 and was appointed Company Secretary in September 2014.

A. Secretary of the Audit, Nomination and Remuneration Committees | **B.** Senior Independent Director | **C.** Chairman of Audit Committee | **D.** Member of Nomination Committee | **E.** Member of Remuneration Committee | **F.** Chairman of Remuneration Committee | **G.** Chairman of Nomination Committee

EXECUTIVE TEAM

MATTHEW WILLIAMS
Chief Executive Officer

ROBERT PARKER
Chief Financial Officer

BRIAN LINNINGTON
Commercial Director

Brian is a chemistry graduate with an MBA. He has many years retail business experience, starting his career at Boots where his roles included Category General Manager Toiletries, International Country Manager for Holland and then Taiwan and finally Multichannel Director for Boots UK. Prior to joining Topps Tiles in December 2012 Brian was Product and Marketing Director at Vision Express for four years. Brian is responsible for all aspects of buying, marketing and online at Topps.

RICHARD CARTER
Operations Director

Richard is an experienced retailer who has worked for both blue chip retailers as well as smaller, more entrepreneurial businesses. Richard has previously held senior operations roles with the Spirit Group (Punch Taverns), Virgin Retail, Dixons, Office World (Staples) and started his career with Asda on their retail operations graduate recruitment programme. Richard joined Topps in 2010 and has accountability for retail operations, supply chain and the trade customer division.

OUR ADVISORS

DIRECTORS
The Rt. Hon. J M Jack,
Privy Councillor
Non-Executive Chairman

M T M Williams
Chief Executive Officer

R Parker ACMA
Chief Financial Officer

A White FCA
Non-Executive Director

C Tiney
Non-Executive Director

A King
Non-Executive Director

SECRETARY
S. Davey

REGISTERED NUMBER
3213782

REGISTERED OFFICE
Thorpe Way
Grove Park
Enderby
Leicestershire
LE19 1SU

AUDITOR
Deloitte LLP
Manchester
United Kingdom

BANKERS
HSBC Bank Plc
56 Queen Street
Cardiff
CF10 2PX

REGISTRARS
Capita IRG Plc
Bourne House
34 Beckenham Road
Beckenham
Kent
BR3 4TU

SOLICITORS
Beachcroft LLP
St. Ann's House
St. Ann Street
Manchester

BROKERS
Peel Hunt
Moor House
120 London Wall
London
EC2Y 5ET

Liberum
Ropemaker Place
25 Ropemaker Street
London
EC2Y 9LY

FINANCIAL PR ADVISORS
Citigate Dewe Rogerson
3 London Wall Buildings
London
EC2M 5SY

DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of the Group, together with the Financial Statements and Auditor's Report, for the 52 week period ended 27 September 2014. The Corporate Governance Statement set out on pages 41 to 44 forms part of this report.

PRINCIPAL ACTIVITY

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

STRATEGIC 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 27 September 2014 and of the position of the Group at the end of that financial period. We are also required to set out a description of the principal risks and uncertainties facing the Group. In the prior period report we early adopted the majority of the new reporting requirements with the exception of the new format Directors Remuneration Report, which has been fully adopted for the first time in this report.

The information that fulfils the requirements of the Strategic Review can be found within the Chairman's Statement on page 2, the Strategic and Operational review on page 12, and the Corporate and Social Responsibility statement on pages 28 to 32, which are incorporated in this report by reference.

The future prospects of the Group are highlighted in both the Chairman's Statement and the Strategic and Operational Review.

The Directors monitor a number of financial and non-financial key performance indicators (KPIs) for the Group and its stores. The most significant of these are detailed on page 13.

The company conducts an annual strategic risk discussion with the Audit Committee Chairman and senior managers from the business which includes a wide range of risks including commercial, continuity and environmental, social and governance risks.

RESULTS AND DIVIDENDS

The audited Financial Statements for the 52 week period ended 27 September 2014 are set out on pages 67 to 100. The Group's profit for the period from continuing operations, after taxation, was £12,512,000 (2013: £9,144,000).

During the interim period a dividend of 0.65 pence per share was declared and paid (2013: interim dividend of 0.50 pence per share was paid).

Following careful consideration, and for the reasons given in the Chairman's Statement of this report, the Board is recommending the payment of a final dividend of 1.60 pence per share, totalling £3,098,000 (2013: 1.00 pence per share, totalling £1,921,000).

DIRECTORS

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

J M Jack	Non-Executive Chairman
M T M Williams	Chief Executive Officer
R Parker	Chief Financial Officer
A White	Senior Independent Non-Executive Director
C Tiney	Non-Executive Director
A King	Non-Executive Director

In line with the updated Code on Corporate Governance all directors are subject to annual re-election at the next Annual General Meeting.

All resolutions at the Annual General Meeting are passed on a show of hands, in line with our Articles of Association. The results of the votes polled in advance are also disclosed to members present and in the event that the polled votes did not support the resolution the Chairman would formally call for a poll, thereby ensuring that all members' interests are represented.

The Company provides insurance against Directors' and Officers' liabilities to a maximum value of £10,000,000.

The directors' interests in the shares of the Company are set out on page 58.

Details of directors' share options are provided in the Directors' Remuneration Report on page 57.

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 19 to the Financial Statements.

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

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

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

CHANGE OF CONTROL – SIGNIFICANT AGREEMENTS

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

SUPPLIER PAYMENT POLICY

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

The effect of the Group's negotiated payment policy is that trade payables at the period end represented 54 days' purchases (2013: 59 days). Trade payables days is calculated by dividing the trade and other payables by the aggregate of cost of sales and relevant non-inventory expenditure, multiplied by 365.

CARBON REPORTING

As detailed in the CSR section of this report on page 28, our primary energy consumption is electricity used across our store estate. In-store lighting is a major driver of overall consumption and we have been working on installing modern, energy efficient lighting for the last few years. We continue to experiment with new technology to establish its suitability for our business.

	2014		2013	
	Co_2 (Tonnes)	**Co_2 (Tonnes)/Store**	Co_2 (Tonnes)	Co_2 (Tonnes)/Store
Electricity	**8,794**	**26.7**	8,526	26.6
Gas and Oil	**2,606**	**7.9**	3,440	10.7
Commercial fleet	**2,754**	**8.4**	2,646	8.2
Company cars	**373**	**1.1**	430	1.3
Total	**14,527**	**44.2**	15,042	46.9

Energy carbon emissions has been compiled in conjunction with our suppliers (SSE and Gazprom) and is based on the actual energy consumed multiplied by Environment Agency approved emissions factors.

Vehicle emissions has been calculated by our in-house transport team based on mileage covered multiplied by manufacturer quoted emission statistics.

DIRECTORS' REPORT
CONTINUED

CHARITABLE AND POLITICAL CONTRIBUTIONS
The Group has a designated charitable partner, Help 4 Heroes. Across the business colleagues engage in numerous fundraising activities which are documented in the CSR section of this report. During the period the Group made no monetary charitable donations (2013: £nil). The Group made no political contributions (2013: £nil).

SUBSTANTIAL SHAREHOLDINGS
In addition to the directors' shareholdings noted on page 58 as at 27 September 2014 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
Schroders Plc	21,085,625	10.9%
Williams S K M Esq	20,593,950	10.6%
AXA Investment Managers SA	19,213,670	9.9%
Aviva Plc	11,326,585	5.9%
Blackrock Inc	9,781,179	5.1%
Invesco	9,488,770	4.9%
River & Mercantile Asset Management	9,169,994	4.7%
Capital Group Companies Ltd	5,906,000	3.1%

In addition to the above shareholdings between 27 September 2014 and 21 November 2014 we have been notified of the following changes in shareholdings:

- Aviva Plc reduced their holding to 9,605,351 on 13 October 2014
- Schroders Plc reduced their holding to 18,985,275 on 5 November 2014.

EQUAL OPPORTUNITIES
At Topps Tiles we are committed to equal opportunities and our policy is included in the Strategic and Operational Review section of this report.

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

FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES
The Group is exposed to certain financial risks, namely interest rate risk, currency risk and credit risk. Information regarding such financial risks is detailed in notes 13, 14, 15,16 and 17. The Group's risk management policies and procedures are also discussed in the Strategic Review on pages 22 to 27.

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

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

The total number of options held by employees, including Directors, is 6,338,668 (2013: 6,079,512).

As described in note 27, employee share purchase plans are open to almost all employees and provide for a purchase price equal to the daily average market price over the three days preceding the start of the offer period, less 20%. The shares can be purchased during a two week offer period, which during the period ended 27 September 2014 fell between 7 January 2014 and 23 January 2014; the offer price to employees was 98 pence.

Details of Directors' share options are provided in the Directors' Remuneration Report on page 57.

INFORMATION GIVEN TO THE AUDITOR

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

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Director has taken all the steps that ought to have been taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITOR

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation. They 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that Directors:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions. They must also disclose with reasonable accuracy, at any time, the financial position of the Company and enable themselves to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

DIRECTORS' REPORT
CONTINUED

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

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

By order of the Board

R Parker
Director

25 November 2014

CORPORATE GOVERNANCE STATEMENT

RT. HON. MICHAEL JACK (CHAIRMAN OF THE BOARD)

Dear shareholder,

The Company is committed to the principles of corporates governance contained in the 2012 UK Corporate Governance Code issued by the Financial Reporting Council ("the Code") for which the Board is accountable to shareholders.

The Board has reviewed the contents of this report and consider the document to be fair, balanced, understandable and an accurate representation of the current position of the business. The basis for this view is that all of the Directors are furnished with the requisite information to perform their duties and are provided access to key members of management as they require. The Board meets regularly and is given adequate time to probe, debate and challenge business performance as and when they consider it necessary to do so. The Board has also discussed the detail of the financial results with the Audit Committee and are satisfied they have been prepared appropriately. Having gained a thorough understanding of the business each member has also had the opportunity to review and influence this report and as such have concluded in line with the statement above.

STATEMENT OF COMPLIANCE WITH THE CODE

In 2013 the Board conducted a review of its performance and that of the Board subcommittees, individual Board Directors and specifically the performance of the Chairman.

This process is conducted by the Remuneration Chair and will be repeated in 2015.

The Board of Directors comprises six members, of which three are considered independent. The Senior Independent Non-Executive Director is Alan White, who also chairs the Audit Committee. Brief biographical details of all Directors are given on pages 34 and 35 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. Board members are responsible for their own development but are provided access to the company's advisors and regularly attend external presentations and workshops on areas considered relevant and appropriate, including environmental, social and governance issues. In particular, all members of the Board have access to the Deloitte Academy in London which offers seminars and professional updates on a range of relevant topics useful to enhancing the Board's knowledge and understanding of corporate governance.

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 period, 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.

During the year the Company Secretary was a combined role with that of the Chief Financial Officer. The Board does not consider that this impaired the independence of the Company Secretary and the access of the Board to professional advice highlighted above is viewed as the primary mitigant to any possible impairment. With effect from 29 September 2014 the role is no longer combined and Stuart Davey, Group Lawyer, has been appointed as the Company Secretary. This action was taken in order to further enhance our compliance with the UK Corporate Governance Code.

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

The Board considers Alan White, Claire Tiney and Andy King are independent for the purposes of the Code. The terms and conditions for the appointment of Non-Executive Directors are available for inspection on request.

The Board acknowledges the Code's position with respect to the potential loss of independence for any Non-Executive Director who has served for nine years or more. Although the Rt. Hon. Michael Jack has exceeded this term the Board considers his broad based commercial experience and extensive business-specific knowledge to be extremely beneficial. Michael was appointed to the role of Chairman in May 2011 and since then two new independent Non-Executive Directors have joined. The composition of the Board now reflects Corporate Governance best practice with three independent Non-Executive Directors out of a total Board of six members.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

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

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

ATTENDANCE AT BOARD/COMMITTEE MEETINGS

The following table shows the number of Board and Committee meetings held during the 52 week period ended 27 September 2014 and the attendance record of the individual directors.

	Board Of Directors	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings	12	2	3	5
J M Jack	12	2	3	4
M T M Williams	12	2	N/A	1
R Parker	12	2	N/A	1
A White	12	2	3	2
C Tiney	12	2	3	5
A King	12	2	3	5

STATEMENT ABOUT APPLYING THE PRINCIPLES OF THE CODE

The Company has applied the principles of the UK corporate governance code as reported above. Further explanation of how the Code has been applied in connection with Directors' remuneration is set out in the Remuneration Report.

AUDIT COMMITTEE

The Audit Committee consists of independent Non-Executive Directors. The Chairman is Alan White and the other members are Claire Tiney and Andy King. The qualifications of the Audit Committee members are detailed on page 34. Its Chairman has particularly relevant experience, being a qualified chartered accountant who has previously served as the Finance Director and Chief Executive of a listed company.

The Audit Committee considers the nature and scope of the audit process (both internal and external) and its effectiveness. It also reviews and approves the internal audit programme, meets with the external auditor and considers the Annual and Interim Financial Statements before submission to the Board. In addition reviews are made of the arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. No issues have been identified during the period. The Committee is responsible for the review of the Company's key strategic risks and this process is performed by the Committee Chairman in conjunction with a number of senior operational managers. It also reviews the Group's system of internal control and reports its findings twice a year to the Board. The Committee meets with the external auditor and other members of the Board attend at the invitation of the Audit Committee Chairman.

The Audit Committee provides advice to the Board on whether the annual report is fair, balanced and provides the necessary information shareholders require to assess the Company's performance, business model and strategy. In doing so the following issues have been addressed specifically:

- Review of key strategic risks – the Committee Chairman conducts an annual review of key strategic risks and invites a cross section of Company management in order to ensure that the review includes a detailed understanding of the business. The review highlights the key risks based on a combination of likelihood and impact and then also considers what appropriate mitigants should be implemented (highlights from this work are included in the Strategic Review).
- Review of poor performing stores – as part of both the interim and full period end review process poor performing stores are considered and any related impairments and/or property provisions are provided for. Management will then follow up with detailed action plans to either improve store performance or seek an exit solution. Dilapidations are provided for across the entire store portfolio. The Audit Committee also reviews progress towards these plans at the following review.

- Review of inventory – ensuring that our inventory is correctly valued is a key area of focus for the Audit Committee. The finance function performs ongoing detailed checks of supplier invoices by comparing to system prices and management conduct a regular review of any products being sold, or likely to be sold, below the original cost price. Inventory provisions are prepared in accordance with these reviews.
- Supplier rebate – the business has a number of agreements in place which generate additional income subject to pre-agreed purchase thresholds being triggered. The key risk is inaccurate or optimistic estimates of volume that lead to inappropriate income recognition. These are reviewed to ensure that any estimates of future income are robust.
- Revenue recognition – like-for-like ("LFL") sales growth is one of our key KPIs and linked to this is the risk that our reported revenue could be misstated due to a failure in compliance with our company procedures. The key risk would be customer orders which have not yet been fulfilled being included as sales. This risk is routinely checked as part of our internal store auditing programme.
- Going concern – the Chief Financial Officer provides an assessment of the Company's ability to continue to trade on a going concern basis for at least the next 12 months. The conclusion of that review is included in the Strategic and Operational Review section of this report.

Part of the role of the Audit Committee is to review the independence of the Company's auditor. The Company's external auditor, Deloitte LLP ("Deloitte"), also provides non-audit services to the Company in the form of tax compliance. The Audit Committee is satisfied that Deloitte LLP has adequate policies and safeguards in place to ensure that auditor objectivity and independence is maintained. The Audit Committee is aware that providing audit and non-audit advice could lead to a potential conflict of interest. The level of fees paid to Deloitte LLP for non-audit services has been considered by the Audit Committee and is not perceived to be in conflict with auditor independence. In order to ensure the continued independence and objectivity of the external auditor, there is an established policy regarding the provision of non-audit services which is that all non-audit services are put out to tender and the contract awarded based on quality and cost. The Audit Committee has concluded that the auditor, Deloitte, is independent.

Deloitte has been auditor for the Group since September 2003. There has been a change in audit partner during the year. The previous audit partner's first period of signing was the financial period ending 1 October 2011 and this will be the first period of signing for the new partner. Consideration is also given by the Committee to the work of Deloitte and their independence in deciding whether an audit tender is required. Currently it is satisfied by the work of Deloitte and their independence, and has consequently proposed their reappointment.

NOMINATION COMMITTEE

The Nomination Committee is chaired by Andy King. The other members are Alan White and Claire Tiney. The formal terms of reference for this Committee require it to make recommendations to the Board for appointments of Directors and other senior executive staff.

The Nomination Committee is also responsible for diversity and our policy is included in the Strategic Review section of this report.

During the year Alan White gave notice of his intention to retire from the Board and as a result the Nomination Committee has been running the process of finding a suitable replacement. To assist with the search the services of a professional recruitment firm have been retained and we believe we will be in a position to announce the appointment of a new member of the Board before the end of the calendar year.

CORPORATE GOVERNANCE STATEMENT
CONTINUED

DIALOGUE WITH INSTITUTIONAL SHAREHOLDERS

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

MAINTENANCE OF A SOUND SYSTEM OF INTERNAL CONTROL

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

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

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

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

Rt. Hon. Michael Jack
Chairman of the Board

25 November 2014

REMUNERATION REPORT

STATEMENT FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear shareholder

I am pleased to present the Directors' Report on remuneration.

This report is presented in two sections: the Directors' Remuneration Policy and the Annual Report on Remuneration. The Directors' Remuneration Policy sets out the forward-looking remuneration policy. It will be subject to a binding vote at the 2015 Annual General Meeting. The Annual Report on Remuneration provides details of the amounts earned in respect of the 52 week period ended 27 September 2014 and how the Directors' Remuneration Policy will be operated for the 52 week period commencing 28 September 2014. This is subject to an advisory vote at the 2015 Annual General Meeting.

REVIEW OF THE 2013/14 FINANCIAL YEAR

The Remuneration Committee remains committed to a responsible approach to executive pay. As described in the Financial Review section of this Annual Report, the Company has delivered a 9.8% increase in overall revenues which has generated a 31.5% increase in adjusted pre-tax profits to £17.1 million. In addition the Board is recommending a final dividend to shareholders of 1.60 pence per share which will bring the dividend for the year to 2.25 pence per share, an increase of 50% on the prior period.

Consequently, the Executive Directors will receive 99% of the maximum annual bonus entitlement which equates to a bonus of 74% of salary.

Prior to the approval of the 2013 Long Term Incentive Plan ("the LTIP"), the Company operated the Topps Tiles Plc 2010 Deferred Bonus Long Term Incentive Plan ("the DBP"). Under this Plan 25% of the annual bonus earned (net of tax) was deferred in the form of shares for a two year period, with a one-for-one matching share award that would vest at the end of two years subject to continued employment within the business and EBITDA earnings growth in line with RPI measured over the two year deferral period. For the matching share awards granted on 28 November 2012 EBITDA earnings growth over the two year performance period to 27 September 2014 has been 12.9%. This compares to 4.2% growth in RPI over the same period which triggers the matching share awards to vest in full in November 2014.

Further details regarding the annual bonus earned in respect of the 52 week period ending 27 September 2014 and vesting of the matching share awards are included on pages 57 and 58.

During the period the following changes to base salary and benefits were made with effect from 1 June 2014:

- The base salary increase for Matt Williams was 2% which was within the range of salary increases across the Group.
- The Committee resolved to increase the base salary for Rob Parker by 5%. Subject to the continued performance of the business, the intention is that the base salary for Rob Parker will be increased by a further 5% in June 2015. These increases reflect the growth of the Company, prevailing market conditions and internal base salary relativities.
- The Company pension benefit was increased from 10% of salary to 12.5% of salary for the Executive Directors. This recognises that at this level the Company pension benefits continue to be positioned towards the lower end of the competitive market and the intention is to improve this over time as we are committed to employees saving towards retirement. For the management team below Executive Directors the maximum company contribution is 8% per annum.

OUTLOOK FOR THE 2014/15 FINANCIAL YEAR

The Committee has continued to monitor executive remuneration policy to take account of evolving market practice whilst also seeking to ensure that a stable framework is maintained to avoid making unnecessary and frequent changes to the structure of pay. Accordingly, the existing remuneration policy and fundamental structure of the package remains largely unchanged.

However, to reflect the strong growth of the business the Committee has resolved to increase the maximum annual bonus opportunity from 75% of salary to 100% of salary. Up to 20% of salary will continue to be focussed upon achievement of individual objectives, specifically delivering the strategic plan. The element of the annual bonus that can be earned for delivering PBT above the adjusted PBT target for the year has been increased from 55% of salary to 80% of salary. However, this additional bonus requires the delivery of more stretching PBT targets. This increase also recognises that the current positioning of the maximum annual bonus opportunity at 75% of salary is at the lower end of the competitive market.

REMUNERATION REPORT
CONTINUED

For the avoidance of doubt, no changes are proposed to the maximum LTIP opportunity, which will remain at 100% of salary annually, and the proportion of the award vesting for threshold performance remains at 25% of salary.

The Committee believes these changes are in the best interests of the Group. We recognise the expectations of our shareholders on executive pay and our history should demonstrate clearly that the Remuneration Committee approaches such issues with caution and sensitivity.

Claire Tiney
Chairman of the Remuneration Committee

25 November 2014

DIRECTORS' REMUNERATION POLICY
This part of the report sets out the Company's Directors' Remuneration Policy, which, subject to shareholder approval at the 2015 Annual General Meeting, shall take binding effect from the close of that meeting. The Policy is determined by the Committee.

EXECUTIVE DIRECTORS

COMPONENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE MEASURES
BASE SALARY	Core element of fixed remuneration set at a market competitive level with the aim to attract and retain Executive Directors of the calibre required.	Salaries are usually reviewed annually taking into account: • underlying Group performance; • role, experience and individual performance; • competitive salary levels and market forces; and • pay and conditions elsewhere in the Group.	While there is no maximum salary, increases will normally be in line with the typical level of salary increase awarded (in percentage of salary terms) to other employees in the Group. Salary increases above this level may be awarded in certain circumstances, such as, but not limited to: • where an Executive Director has been promoted or has had a change in scope or responsibility; • an individual's development or performance in role (e.g. to align a newly appointed Executive Director's salary with the market over time); • where there has been a change in market practice; or • where there has been a change in the size and/or complexity of the business. Such increases may be implemented over such time period as the Committee deems appropriate.	Not applicable.

COMPONENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE MEASURES
BENEFITS	Fixed element of remuneration set at a market competitive level with the aim to attract and retain Executive Directors of the calibre required.	Executive Directors receive benefits in line with market practice, and these include principally life insurance, income protection, private medical insurance, company car or car allowance and fuel allowance and, where relevant, relocation expenses. Other benefits may be provided based on individual circumstances. These may include, for example, travel expenses.	Whilst the Committee has not set an absolute maximum on the level of benefits Executive Directors may receive, the value of benefits is set at a level which the Committee considers to be appropriately positioned taking into account relevant market levels based on the nature and location of the role and individual circumstances.	Not applicable.
PENSIONS	Provides market competitive post-employment benefits (or cash equivalent) with the aim to attract and retain Executive Directors of the calibre required.	Executive Directors are eligible to participate in the defined contribution pension scheme. In appropriate circumstances, such as where contributions exceed the annual or lifetime allowance, Executive Directors may be permitted to take a cash supplement instead of contributions to a pension plan.	Set at a level which the Committee considers to be appropriately positioned taking into account relevant market levels based on the nature and location of the role and individual circumstances. The contribution levels for the year 2014/15 are set at 12.5% of salary. Contributions of up to 20% of salary may be made to take account of a change in the scope of the role, increase in responsibility and/or a change in the size and/or complexity of the business.	Not applicable.
ALL EMPLOYEE SHARE SCHEMES	To create alignment with the Group and promote a sense of ownership.	Executive Directors are entitled to participate in a tax qualifying all employee SAYE under which they may make monthly savings contributions over a period of three or five years linked to the grant of an option over the Company's shares with an option price which can be at a discount of up to 20% to the market value of shares at grant. Executive Directors are also entitled to participate in an HMRC tax-qualifying Share Incentive Plan ("SIP").	Participation limits are those set by the UK tax authorities from time to time.	Not subject to performance measures in line with HMRC practice.

REMUNERATION REPORT
CONTINUED

COMPONENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE MEASURES
ANNUAL BONUS	Rewards performance against annual targets which support the strategic direction of the Group.	Awards are based on annual performance against key financial targets and/or the delivery of personal/strategic objectives. Pay-out levels are determined by the Committee after the year end based on performance against those targets. The Committee has discretion to amend the pay-out should any formulaic output not reflect the Committee's assessment of overall business performance. For up to two years following the payment of an annual bonus award, the Committee may require the repayment of some or all of the award if an act or omission or a failure to apply reasonable skill and judgement leads to a material loss to the Group or serious reputational damage to the Group or a material misstatement of the Group's financial statements.	The maximum bonus opportunity for an Executive Director will not exceed 100% of salary.	Targets are set annually reflecting the Company's strategy and are aligned with key performance indicators. Up to 20% of the bonus will be based on non-financial strategic measures and/or individual performance and the balance will be assessed against key financial performance metrics of the business. FINANCIAL METRICS There is no minimum payment at threshold performance and all of the maximum potential will be paid out for maximum performance, with scaled vesting in between. NON-FINANCIAL OR INDIVIDUAL METRICS Vesting of the non-financial or individual strategic awards will apply based on the Committee's assessment of the extent to which a non-financial or individual strategic metric has been met.

COMPONENT	PURPOSE AND LINK TO STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE MEASURES
LONG TERM INCENTIVE PLAN ("LTIP")	To incentivise Executive Directors, and to deliver genuine performance-related pay, with a clear line of sight for Executives and direct alignment with shareholders' interests.	Long-term incentive awards are granted under the LTIP, approved by shareholders on 23 January 2013. Under the LTIP, awards of nil cost share options or conditional shares may be made. Awards may be settled in cash at the election of the Committee. The vesting of awards will be subject to the achievement of specified performance conditions, over a period of at least three years. The Committee may make a dividend equivalent payment ('Dividend Equivalent') to reflect dividends that would have been paid over the period to vesting on shares that vest. This payment may be in the form of additional shares or a cash payment equal to the value of those additional shares. The Committee has the right to reduce, cancel or impose further conditions on unvested or unexercised awards if there has been a material misstatement of the Company's financial results, a material failure of risk management by the Company or if there has been serious reputational damage to the Company as a result of the participant's misconduct or otherwise. For up to two years following the payment of a long-term incentive award, the Committee may require the repayment of some or all of the award if an act or omission or a failure to apply reasonable skill and judgement leads to a material loss to the Group or serious reputational damage to the Group or a material misstatement of the Group's financial statements.	The normal maximum award is 100% of salary in respect of a financial year. Under the share plan rules the overall maximum opportunity that may be granted in respect of a financial year is 200% of salary. The normal maximum award limit will only be exceeded in exceptional circumstances involving the recruitment or retention of an Executive Director. The market value of the shares subject to an award is based on the three day average share price immediately prior to the Company's period end, unless the Committee determines otherwise.	Relevant performance measures are set that reflect underlying business performance. Performance measures and their weighting where there is more than one measure are reviewed annually to maintain appropriateness and relevance. For 2014/15 the performance measures will be solely based on Adjusted EPS. Performance measures and weightings for following periods will be set out in the Annual Report on Remuneration for the relevant period. For achievement of threshold performance 25% of the maximum opportunity will vest. There will usually be straight line vesting between threshold and maximum performance.

Note : Adjusted EPS is derived from the Group's statutory basic Earnings Per Share measure, adjusted for the post-tax effect of the adjusting items explained in the financial review section of this report.

REMUNERATION REPORT
CONTINUED

NON-EXECUTIVE DIRECTORS

PURPOSE AND LINK TO STRATEGY	APPROACH OF THE COMPANY
Sole element of Non-Executive Director remuneration, set at a level that reflects market conditions and is sufficient to attract individuals with appropriate knowledge and experience.	Fees are normally reviewed annually. Fees paid to Non-Executive Directors for their services are approved by the Board. Fees may include a basic fee and additional fees for further responsibilities (for example, chairmanship of Board committees or holding the office of Senior Independent Director). Fees are based on the level of fees paid to Non-Executive Directors serving on the board of similar-sized UK listed companies and the time commitment and contribution expected for the role. Typically, any fee increase will be in line with the wider workforce. Fee increases may be awarded above this level in certain circumstances such as (but not limited to): • where there has been a change in market practice; • where there has been a change in the size and complexity of the Company; or • where there has been an increase in the Non-Executive Director's time commitment to the role. Overall fees paid to Non-Executive Directors will remain within the limits set by the Company's Articles of Association. Non-Executive Directors cannot participate in any of the Company's share options schemes and are not eligible to join the Company's pension scheme. Non-Executive Directors may be eligible to receive benefits such as the use of secretarial support, travel costs or other benefits that may be appropriate.

EXPLANATION OF PERFORMANCE MEASURES CHOSEN

Performance measures are selected that are aligned with the performance of the Group and the interests of shareholders. Stretching performance targets are set each year for the annual bonus and long-term incentive awards. When setting these performance targets, the Committee will take into account a number of different reference points, which may include the Company's business plans and strategy and the economic environment. Full vesting will only occur for what the Committee considers to be stretching performance.

The annual bonus can be assessed against financial and individual/strategic measures determined by the Committee. The Committee considers that profit before tax is a key performance metric for the annual bonus and specific strategic objectives for each Director which are aligned to delivering the overall business strategy encourages behaviours which facilitate profitable growth and the future development of the business.

Long-term performance measures are chosen by the Committee to provide a robust and transparent basis on which to measure the Company's performance over the longer term and to provide alignment with the business strategy. They are selected to be aligned with the interests of shareholders and to drive business performance whilst not encouraging excessive risk taking.

The Committee retains the ability to adjust or set different performance measures if events occur (such as a change in strategy, a material acquisition and/or a divestment of a Group business or a change in prevailing market conditions) which cause the Committee to determine that the measures are no longer appropriate and that amendment is required so that they achieve their original purpose.

Awards and options may be adjusted in the event of a variation of share capital in accordance with the rules of the LTIP.

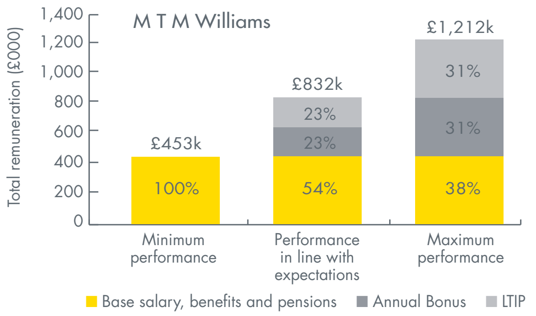
POLICY FOR THE REMUNERATION OF EMPLOYEES MORE GENERALLY

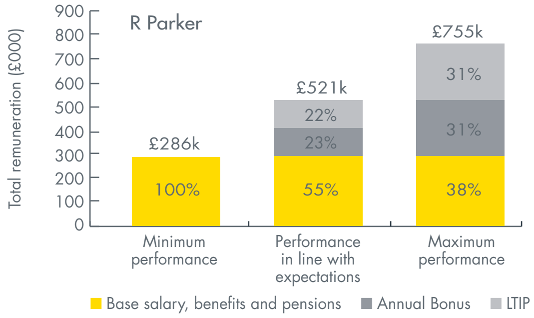
Remuneration arrangements are determined throughout the Group based on the same principle that reward should be achieved for delivery of the business strategy and should be sufficient to attract, retain and motivate high-calibre employees.

ILLUSTRATIONS OF APPLICATION OF REMUNERATION POLICY

The charts below set out for each Executive Director an illustration of the application for 2014/15 of the remuneration policy set out above. The charts show the split of remuneration between fixed pay, annual incentive pay and LTIP on the basis of minimum remuneration, remuneration receivable for performance in line with the Company's expectations and maximum remuneration (not allowing for any share price appreciation).

Updated:





In illustrating the potential reward, the following assumptions have been made.

	FIXED PAY	ANNUAL BONUS	LTIP*
MINIMUM PERFORMANCE	Fixed elements of remuneration only – base salary (being the salary as at September 2014), benefits as disclosed in the single figure table on page 55 for the year 2013/14 and pension of 12.5% of salary.	No bonus	No LTIP vesting
PERFORMANCE IN LINE WITH EXPECTATIONS		50% of salary awarded for achieving target performance.	50% of maximum award vesting (equivalent to 50% of salary) for achieving target performance.
MAXIMUM PERFORMANCE		100% of salary awarded for achieving maximum performance.	100% of maximum award vesting (equivalent to 100% of salary) for achieving maximum performance.

* LTIP awards are included in the scenarios above at face value with no share price movement included.

APPROACH TO RECRUITMENT REMUNERATION

The policy aims to facilitate the appointment of individuals of sufficient calibre to lead the business and execute the strategy effectively for the benefit of shareholders. When appointing a new Executive Director, the Committee seeks to ensure that arrangements are in the best interests of the Company and not to pay more than is appropriate.

The Committee will take into consideration a number of relevant factors, which may include the calibre of the individual, the candidate's existing remuneration package, and the specific circumstances of the individual including the jurisdiction from which the candidate was recruited.

When hiring a new Executive Director, the Committee will typically align the remuneration package with the above Policy. The Committee may include other elements of pay which it considers are appropriate; however, this discretion is capped and is subject to the principles and the limits referred to below.

- Base salary will be set at a level appropriate to the role and the experience of the Executive Director being appointed. This may include agreement on future increases up to a market rate, in line with increased experience and/or responsibilities, subject to good performance, where it is considered appropriate.
- Pension and benefits will be provided in line with the above policy.
- The Committee will not offer non-performance-related incentive payments (for example a "guaranteed sign-on bonus").

REMUNERATION REPORT
CONTINUED

- Others elements may be included in the following circumstances:
  - an interim appointment being made to fill an Executive Director role on a short-term basis;
  - if exceptional circumstances require that the Chairman or a Non-Executive Director takes on an executive function on a short-term basis;
  - if an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or long-term incentive award for that year as there would not be sufficient time to assess performance. Subject to the limit on variable remuneration set out below, the quantum in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis;
  - if the Executive Director will be required to relocate in order to take up the position, it is the Company's policy to allow reasonable relocation, travel and subsistence payments. Any such payments will be at the discretion of the Committee.
- The Committee may also alter the performance measures, performance period and vesting period of the annual bonus or LTIP, subject to the rules of the LTIP, if the Committee determines that the circumstances of the recruitment merit such alteration. The rationale will be clearly explained in the following Directors' Remuneration Report.
- The maximum level of variable remuneration which may be granted (excluding "buyout" awards as referred to below) is 300% of salary.

Any share awards referred to in this section will be granted as far as possible under the Company's existing share plans. If necessary, and subject to the limits referred to above, recruitment awards may be granted outside of these plans as permitted under the Listing Rules which allow for the grant of awards to facilitate, in unusual circumstances, the recruitment of an Executive Director.

The Committee may make payments or awards in respect of hiring an employee to "buyout" remuneration arrangements forfeited on leaving a previous employer. In doing so the Committee will take account of relevant factors including any performance conditions attached to the forfeited arrangements and the time over which they would have vested. The Committee will generally seek to structure buyout awards or payments on a like-for-like basis to the remuneration arrangements forfeited. Any such payments or awards are limited to the expected value of the forfeited awards. Where considered appropriate, such special recruitment awards will be liable to forfeiture or "malus" and/or "clawback" on early departure.

Where a position is filled internally, any ongoing remuneration obligations or outstanding variable pay elements shall be allowed to continue according to the original terms.

Fees payable to a newly-appointed Chairman or Non-Executive Director will be in line with the fee policy in place at the time of appointment.

SERVICE CONTRACTS

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

Company policy also states that Non-Executive Directors should have contracts of services with an indefinite term providing for a maximum of six months' notice. The role of Chairman is also Non-Executive, with an indefinite term contract and a maximum six months' notice.

Details of the Directors' service contracts and notice periods are set out below:

Name	Commencement	Notice period
M T M Williams	1 April 2006	twelve months
R Parker	10 April 2007	twelve months
J M Jack	26 January 1999	six months
A White	1 April 2008	six months
C Tiney	12 December 2011	six months
A King	23 January 2012	six months

PAYMENTS FOR LOSS OF OFFICE

The principles on which the determination of payments for loss of office will be approached are set out below:

	POLICY
PAYMENT IN LIEU OF NOTICE	The Company has discretion to make a payment in lieu of notice. Such a payment would be calculated by reference to basic salary and shall include compensation for any employer pension contributions for the unexpired period of notice. The payment may also include compensation for benefits for the period.
ANNUAL BONUS	This will be at the discretion of the Committee on an individual basis and the decision as to whether or not to award a bonus in full or in part will be dependent on a number of factors, including the circumstances of the individual's departure and their contribution to the business during the bonus period in question. Any bonus amounts paid will typically be prorated for time in service during the bonus period and will, subject to performance, be paid at the usual time (although the Committee retains discretion to pay the bonus earlier in appropriate circumstances).
LTIP	The extent to which any unvested award will vest will be determined in accordance with the rules of the LTIP. Unvested awards will normally lapse on cessation of employment. However, if the participant leaves due to death, illness, injury, disability, sale of his employer or any other reason at the discretion of the Committee, the Committee shall determine whether the award will vest at cessation or at the normal vesting date. In either case, the extent of vesting will be determined by the Committee taking into account the extent to which the performance condition is satisfied and, unless the Committee determines otherwise, the period of time elapsed from the date of grant to the date of cessation relative to the performance period. Awards may then be exercised during such period as the Committee determines. Awards which have already vested at the date of cessation may be exercised for such period as the Committee determines.
CHANGE OF CONTROL	The extent to which unvested awards will vest will be determined in accordance with the rules of the LTIP. Awards under the LTIP will vest early on a takeover, merger or other relevant corporate event. The Committee will determine the level of vesting taking into account the extent to which the performance condition is satisfied and, unless the Committee determines otherwise, the period of time elapsed from the date of grant to the date of the relevant corporate event relative to the performance period. The Committee has discretion under the rules of the LTIP to vest awards on a different basis.
MITIGATION	The Committee's practice is that if an Executive Director's employment is terminated any compensation payment will be calculated in accordance with normal legal principles including the application of mitigation to the extent appropriate to the circumstances of the termination.
ALL EMPLOYEE SHARE PLANS	Payments may be made either in the event of a loss of office or a change of control under the all employee share plans, which are governed by the rules and the legislation relating to such tax qualifying plans. There is no discretionary treatment for leavers or on a change of control under these schemes. In appropriate circumstances, payments may also be made in respect of accrued holiday, outplacement and legal fees.

REMUNERATION REPORT
CONTINUED

Where a buyout award is made under the Listing Rules then the leaver provisions would be determined at the time of the award.

The Committee reserves the right to make additional exit payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement or compromise of any claim arising in connection with the termination of a Director's office or employment.

Where the Committee retains discretion it will be used to provide flexibility in certain situations, taking into account the particular circumstances of the Director's departure and performance.

There is no entitlement to any compensation in the event of a Non-Executive Director's appointment being terminated.

EXISTING CONTRACTUAL ARRANGEMENTS

The Committee retains discretion to make any remuneration payment or payment for loss of office outside the policy in this report:

- where the terms of the payment were agreed before the policy came into effect;
- where the terms of the payment were agreed at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company; and
- to satisfy contractual commitments under legacy remuneration arrangements.

For these purposes, "payments" includes the satisfaction of awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted.

STATEMENT OF CONSIDERATION OF EMPLOYMENT CONDITIONS ELSEWHERE IN THE COMPANY

When determining the remuneration arrangements for Executive Directors, the Committee takes into consideration, as a matter of course, the pay and conditions of employees throughout the Group. In particular, the Committee is kept informed on:

- salary increase for the general employee population;
- overall spend on annual bonus; and
- participation levels in the annual bonus and share plans.

Although no consultation with employees takes place in relation to determining the remuneration policy for Directors, the Group has various ways of engaging employees collectively, as teams and one to one, which provides a forum for employees to express their views on the Company's executive and wider employee reward policies.

STATEMENT OF CONSIDERATION OF SHAREHOLDER VIEWS

The Committee is committed to an ongoing dialogue with shareholders and welcomes feedback on Directors' remuneration. Prior to the new LTIP being formally put to shareholders in 2013, the Committee engaged with major shareholders and institutional bodies setting out the proposals and rationale for the changes on variable pay arrangements for Executive Directors. Major shareholders were also advised of the rationale for the increase in the annual bonus opportunity for 2014/15.

ANNUAL REPORT ON REMUNERATION

Single figure table

The tables below detail the total remuneration receivable by each Director for the 52 week periods ended 28 September 2013 and 27 September 2014.

2013/14	Salary and fees £'000	Benefits £'000	Annual bonus £'000	LTIP £'000	Pension £'000	Total remuneration £'000
Executive Directors						
M T M Williams	375	34	278	122	41	849
R Parker	227	30	168	71	25	521
Non-Executive						
J M Jack	102	–	–	–	–	102
A White	42	–	–	–	–	42
C Tiney	41	–	–	–	–	41
A King	41	–	–	–	–	41

2012/13	Salary and fees £'000	Benefits £'000	Annual bonus £'000	LTIP £'000	Pension £'000	Total remuneration £'000
Executive Directors						
M T M Williams	372	26	129	–	37	564
R Parker	223	23	78	–	22	346
Non-Executive Directors						
J M Jack	102	–	–	–	–	102
A White	42	–	–	–	–	42
C Tiney	41	–	–	–	–	41
A King	41	–	–	–	–	41

The figures in the single figure tables above are derived from the following:

Salary and fees	**The amount of salary/fees received in the period.**
BENEFITS	The taxable value of benefits received in the period. These are principally life insurance, income protection, private medical insurance, company car or car allowance, fuel allowance and the value of SAYE scheme options granted during the period. The value attributable to sharesave scheme options is calculated on the following basis: Monthly contribution x 12 x 20% (being the discount applied to market value in determining the exercise price).
PENSION	The pension figure represents the cash value of Company pension contributions paid to the Executive Directors as part of the Company's defined contribution scheme.
ANNUAL BONUS	The annual bonus is the cash value of the bonus earned in respect of the period. A description of performance against the objectives which applied for the period is provided on page 56.
LTIP	The LTIP figure represents the value of matching awards granted under the Topps Tiles Plc 2010 Deferred Bonus Long Term Incentive Plan that vested in respect of the period. For the matching share awards granted on 28 November 2012 EBITDA earnings growth over the two year performance period to 27 September 2014 has been 12.9%. Therefore the matching share awards vested in full in November. The estimated face value of the vested shares is based on a share price of 108 pence being the average market value of the Company's shares for the last quarter of the 52 week period ended 27 September 2014.

REMUNERATION REPORT
CONTINUED

INDIVIDUAL ELEMENTS OF REMUNERATION

Base salary and fees

Base salaries for individual Directors are reviewed annually by the Committee and are set with reference to individual performance, experience and responsibilities within the Group as well as with reference to similar roles in comparable companies. During the period the following changes to base salary were made with effect from 1 June 2014:

	Base salary 1 June 2013	Base salary 1 June 2014	% increase
M T M Williams	£373,244	£380,708	2%
R Parker	£223,946	£235,143	5%

The base salary increase for Matt Williams was in line with the range of salary increases across the Group. The base salary increase for Rob Parker reflects the growth of the Company, prevailing market conditions and internal base salary relativities. Subject to the continued performance of the business, the intention is that the base salary for Rob Parker will be increased by a further 5% in June 2015.

The Non-Executive Directors' fees were increased with effect from 1 June 2014 in line with the increase for the wider workforce:

	Fees 1 June 2013	Fees 1 June 2014	% increase
Basic fee	£35,800	£36,516	2%
Senior Independent Director	£6,000	£6,120	2%
Chair of the Remuneration Committee	£5,000	£5,100	2%
Chair of the Audit Committee	£5,000	£5,100	2%

Total pension entitlements

During the year the Company pension benefit was increased from 10% of salary to 12.5% of salary for the Executive Directors. This recognises that at this level the Company pension benefits continues to be positioned towards the lower end of the competitive market and the intention is to improve this over time as we are committed to employees saving towards retirement. For the management team below Executive Directors the maximum company contribution is 8% per annum.

Annual bonus

For the 52 week period ended 27 September 2014, the maximum annual bonus opportunity was 75% of salary. To encourage behaviours which facilitate profitable growth and future development of business up to 55% of salary could be earned for delivering PBT above the adjusted PBT target and up to 20% of salary could be earned for the achievement of individual objectives specifically delivering the strategic plan.

The following table sets out the bonus pay-out to the Executive Directors for 2013/14 and how this reflects performance for the period.

	TARGET	ACTUAL PERFORMANCE	EXECUTIVE DIRECTOR BONUS EARNED AS A PERCENTAGE OF SALARY
ADJUSTED PBT[1]	£15.5 million	£17.1 million	55%
STRATEGIC OBJECTIVES	The strategic targets for the period related to:		19%
	• increase in market share year on year	Met in full	5%
	• mystery shop	Met in full	5%
	• Average Transaction Value ("ATV")	Partially met	4%
	• full year trade sales.	Met in full	5%
	The Committee considers that the detailed strategic targets are commercially sensitive and should therefore remain confidential to the Company. They provide our competitors with insight into our business plans, expectations and our strategic actions.		
TOTAL BONUS EARNED			74%

[1] Adjusted PBT as defined in the financial review section of this report.

Annual bonus for 2014/15

To reflect the strong growth of the business the Committee has resolved to increase the maximum annual bonus opportunity from 75% of salary to 100% of salary for the 2014/15 financial period. Up to 20% of salary will continue to be focussed upon achievement of individual objectives specifically delivering the strategic plan. The element of the annual bonus that can be earned for delivering PBT above the adjusted PBT target for the year has been increased from 55% of salary to 80% of salary. However, this additional bonus requires the delivery of more stretching PBT targets. This increase also recognises that the current positioning of the maximum annual bonus opportunity at 75% of salary is at the lower end of the competitive market.

The Committee considers that the actual annual bonus targets are commercially sensitive and should therefore remain confidential to the Company. However, the Remuneration Committee will continue to disclose how the bonus pay-out delivered relates to performance against the targets on a retrospective basis.

Long-term incentives

Awards vesting in respect of the financial period

Prior to the approval of the LTIP, the Company operated the Topps Tiles Plc 2010 Deferred Bonus Long Term Incentive Plan. Under this Plan 25% of the annual bonus earned (net of tax) was deferred in the form of shares for a two year period, with a one-for-one matching share award that would vest at the end of two years subject to continued employment within the business and EBITDA earnings growth in line with RPI measured over the two year deferral period.

For the matching share awards granted on 28 November 2012 EBITDA earnings growth over the two year performance period to 27 September 2014 has been 12.9%. This compares to 4.2% growth in RPI over the same period which triggers the matching share awards to vest in full in November 2014.

No further awards will be made under this Plan.

Awards granted during the financial period

The LTIP was approved by shareholders on 23 January 2013. For the 52 week period ended 27 September 2014 the following awards were granted to Executive Directors on 17 December 2013.

	Type of award	Percentage of salary	Number of shares	Face value at grant[1]	% of award vesting at threshold	Performance period
M T M Williams	Nil –cost option	100%	400,604	£373,243	25%	3 years
R Parker	Nil –cost option	100%	240,363	£223,946	25%	3 years

[1] Valued using a share price of 93.17 pence based on the average three day share price ending on 28 September 2013.

The awards will vest based on the following Cumulative Adjusted EPS targets:

Cumulative Adjusted EPS for the period 2013/14 to 2015/16	Percentage of the award that will vest
17.84 pence	25%
Greater than 17.84 pence but less than 19.24 pence	Determined on a straight line basis between 25% and 100%
19.24 pence	100%

Adjusted EPS is defined as stated in the Company's accounts for the relevant financial period excluding exceptional items and subject to such adjustments as the Board in its discretion determines are fair and reasonable.

These targets equate to adjusted EPS growth of *c.*7% growth from the 2012/13 outturn for 25% vesting and *c.*11% for 100% vesting.

Notwithstanding the Cumulative Adjusted EPS targets calculated above, the extent to which the awards will vest will be subject to the Committee's assessment of the quality of earnings over the performance period. The Committee may reduce the extent to which the award would otherwise vest if the Committee determines that the Cumulative Adjusted EPS achieved is not consistent with the achievement of commensurate underlying financial performance taking into account such factors as the Committee considers appropriate, including market share, margin performance, net debt, overall returns to shareholders and shareholder value creation.

REMUNERATION REPORT
CONTINUED

Long-term incentives for 2014/15

No changes to the quantum or performance conditions are proposed. The maximum LTIP opportunity will remain at 100% of salary and the proportion of the award vesting for threshold performance remains at 25% of salary.

The awards will vest based on the following Cumulative Adjusted EPS targets that equate to adjusted EPS growth of *c.*7% growth from the 2013/14 outturn for 25% vesting and *c.*11% for 100% vesting.

Cumulative Adjusted EPS for the period 2014/15 to 2016/17	Percentage of the award that will vest
23.02 pence	25%
Greater than 23.02 pence but less than 24.83 pence	Determined on a straight line basis between 25% and 100%
24.83 pence	100%

Adjusted EPS is defined as stated in the Company's accounts for the relevant financial period excluding exceptional items and subject to such adjustments as the Board in its discretion determines are fair and reasonable.

All Employee Share Plans

The Executive Directors may participate in the Company's all employee share plans, the Topps Tiles Plc SAYE Scheme (SAYE Scheme) and the Topps Tiles Plc Share Incentive Plan (SIP), on the same basis as other employees.

The SAYE Scheme provides an opportunity to save a set monthly amount (currently up to £500) over three years towards the exercise of a discounted share option, which is granted at the start of the three years.

The SIP provides an opportunity for employees to buy shares from their pre-tax remuneration up to the limit permitted by the relevant tax legislation (currently £1,800 per year). No matching shares are awarded.

Options and awards under these plans are not subject to performance conditions.

The following SAYE options were granted to the Executive Directors during the financial year ended 27 September 2014:

	Type of award[1]	Number of shares	Face value at grant[2]
M T M Williams	Discounted share option	3,673	£5,583
R Parker	Discounted share option	3,673	£5,583

[1] In accordance with the scheme rules, the options are granted with an exercise price set at a discount of up to 20% to the market value of a share calculated in accordance with the Scheme rules. For the awards granted in 2013/14, the share price was determined to be 122 pence and the exercise price is 98 pence per share. In accordance with the scheme rules, the exercise of the options is not subject to any performance condition.

[2] The face value of the award is calculated by multiplying the number of shares under option by the market value of a share on the date of grant (being 152 pence for these options granted on 31 January 2014).

STATEMENT OF DIRECTORS' SHAREHOLDING AND SHARE INTERESTS

In order to further align the Executive Directors' long-term interests with those of shareholders, the Committee introduced shareholding guidelines in 2013. The guidelines require that, with effect from 2013/14, Executive Directors build up a shareholding of one times salary over a period of five years. The extent to which each Executive Director has met the shareholding guidelines is shown in the table below:

	Shareholding guidelines	Current shareholding (as % of salary)
M T M Williams	100% of salary	160%
R Parker	100% of salary	65%

The interests of each Executive Director of the Company as at 27 September 2014 were as follows:

Director	Type	Owned outright	Exercised during the year	Vested	Unvested and subject to performance conditions	Unvested and not subject to performance conditions	Total as at 27 September 2014
Executive Directors							
M T M Williams	Shares	573,896	n/a	n/a	112,742	55,244	741,882
	LTIP shares	n/a	n/a	n/a	1,206,222	n/a	1,206,222
	SAYE options	n/a	5,625	n/a	n/a	12,045	17,670
R Parker	Shares	100,976	n/a	n/a	65,779	32,232	198,987
	LTIP shares	n/a	n/a	n/a	723,734	n/a	728,734
	SAYE options	n/a	44,727	n/a	n/a	12,045	56,772
Non –Executive Directors							
J M Jack	Shares	74,250	n/a	n/a	n/a	n/a	74,250
A White	Shares	41,499	n/a	n/a	n/a	n/a	41,499
C Tiney	Shares	15,480	n/a	n/a	n/a	n/a	15,480
A King	Shares	n/a	n/a	n/a	n/a	n/a	n/a

PAYMENTS MADE TO FORMER DIRECTORS DURING THE PERIOD

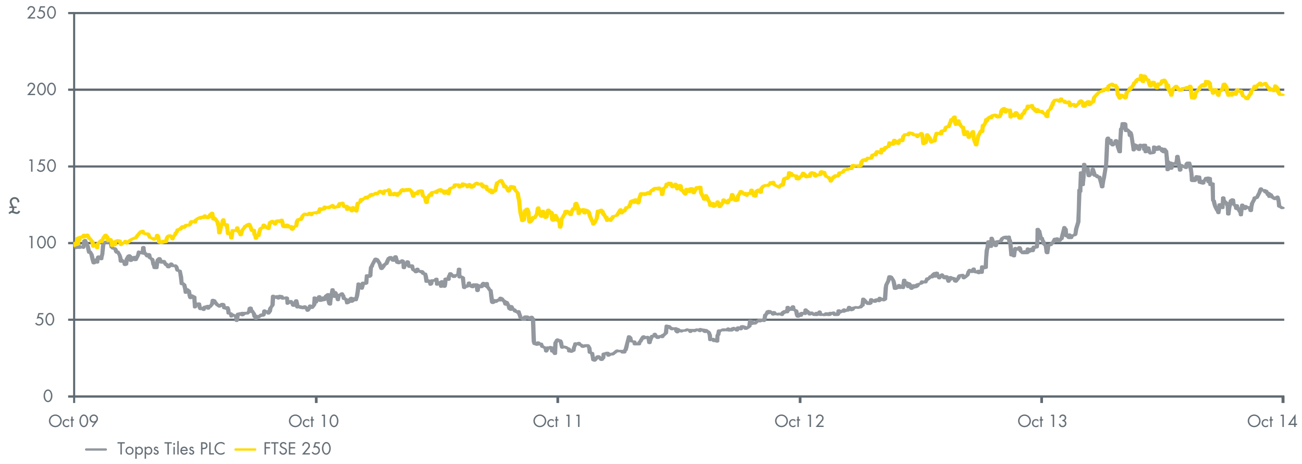
No payments were made in the period to any former Director of the Company.

PAYMENTS FOR LOSS OF OFFICE MADE DURING THE PERIOD

No payments for loss of office were made in the period to any Director of the Company.

PERFORMANCE GRAPH

The graph below shows the TSR performance for the Company's shares in comparison to the FTSE Small Cap Index for the five years to 27 September 2014. For the purposes of the graph, TSR has been calculated as the percentage change during the five year period in the market price of the shares, assuming that dividends are reinvested. The graph shows the value, by the end of the 2013/14 financial period, of £100 invested in the Group over the last five financial periods compared with £100 invested in the FTSE Small Cap Index, which the Directors believe is the most appropriate comparative index.



REMUNERATION REPORT
CONTINUED

HISTORICAL CHIEF EXECUTIVE REMUNERATION OUTCOMES

The table below shows details of the total remuneration and annual bonus and LTIP vesting (as a percentage of the maximum opportunity) for the Chief Executive over the last five financial years.

	Total remuneration	Annual bonus as a % of maximum opportunity	LTIP as a % of maximum opportunity
52 week period ended 27 September 2014	849	99%	n/a
52 week period ended 28 September 2013	564	46.3%	n/a
52 week period ended 29 September 2012	579	35.2%	n/a
52 week period ended 1 October 2011	384	0%	n/a
53 week period ended 2 October 2010	515	40%	n/a

CEO PAY INCREASE IN RELATION TO ALL EMPLOYEES

The table below sets out in relation to salary, taxable benefits and annual bonus the percentage change in remuneration for M T M Williams compared to the wider workforce. For these purposes, the wider workforce includes all employees.

Percentage change	CEO	Wider workforce
Salary[1]	0.7%	1.1%
Taxable benefits	28.8%	–8.7%
Annual bonus	115.5%	58.1%

[1] M T M Williams' salary was increased by 2% with effect from 1 June 2014. Because this table shows the difference between Mr Williams' full year salary for 2012/13 and 2013/14, the percentage increase shown is less than 2%.

SPEND ON PAY

The following table sets out the percentage change in dividends and the overall expenditure on pay (as a whole across the organisation).

	52 week period ended 28 September 2013	52 week period ended 27 September 2014	Percentage change
Dividends and share buybacks	1.50 pence per share	2.25 pence per share	50%
Overall expenditure on pay	£45,865,000	£43,123,000	6%

CONSIDERATION BY THE DIRECTORS OF MATTERS RELATING TO DIRECTORS' REMUNERATION

The Committee is composed of the Company's independent Non-Executive Directors, Claire Tiney (Chairman), Alan White and Andy King. The Company Secretary attends the meetings as secretary to the Committee.

The role of the Committee is to:

- Determine the pay and benefits of the Executive Directors;
- Determine the short and long-term incentives for Executive Directors;
- To determine awards against incentive schemes;
- To consult with major shareholders about changes to these incentive schemes;
- To determine fees payable to the Non-Executive Chairman.;
- To review the Remuneration Report;
- To monitor the level and structure of remuneration for senior management.

ADVISORS

The Committee is assisted in its work by the Chief Executive Officer and Finance Director. The Chief Executive Officer is consulted on the remuneration of those who report directly to him and also of other senior executives. No Executive Director or employee is present or takes part in discussions in respect of matters relating directly to their own remuneration.

During the financial period, the Committee received independent advice from the following external consultant:

ADVISOR	DETAILS OF APPOINTMENT	SERVICES PROVIDED BY THE ADVISOR	FEES PAID BY THE COMPANY FOR ADVICE TO THE COMMITTEE AND BASIS OF CHARGE	OTHER SERVICES PROVIDED TO THE COMPANY IN THE 52 WEEK PERIOD ENDED 27 SEPTEMBER 2014
Deloitte LLP	Appointed by the Committee in June 2012.	Advice on developments in executive pay and the operation of the Company's incentive plans. Advice on market practice and shareholder perspectives. Advice on the new reporting regulations in connection with the disclosure of Directors' remuneration.	£3,000 (excluding VAT) Charged on a time/cost basis or fixed fee dependent on the nature of the project.	External auditor and certain other services (see page 80 of the Annual Report).

The Remuneration Committee took into account the Remuneration Consultants Group's Code of Conduct when reviewing the appointment of Deloitte and also took into account Deloitte's role as external auditor. As Deloitte is external auditor to the Company, Deloitte's advice to the Remuneration Committee is governed by certain guidelines and safeguards. The Remuneration Committee is satisfied that the remuneration advice provided by Deloitte is objective and independent.

STATEMENT OF VOTING AT LAST AGM

The following table sets out actual voting in respect of the resolution to approve the Directors' Remuneration Report at the Company's Annual General Meeting on 24 January 2014.

Resolution	Votes for	% of vote	Votes against	% of vote	Discretion	% of vote	Votes withheld
Approve remuneration report	140,564,601	99.95%	61,973	0.04%	16,579	0.01%	3,664,633

APPROVAL

This Report was approved by the Board on 25 November 2014 and signed on its behalf by:

Claire Tiney
Chairman of the Remuneration Committee

25 November 2014

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

OPINION ON FINANCIAL STATEMENTS OF TOPPS TILES PLC

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 27 September 2014 and of the group's profit for the 52 week period then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

The financial statements comprise the consolidated statement of financial performance, the consolidated statement of comprehensive income, the group statement of financial position, the parent company balance sheet and the related notes 1 to 7, the consolidated cash flow statement, the consolidated statement of changes in equity, and the related notes 1 to 28. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

SEPARATE OPINION IN RELATION TO IFRSs AS ISSUED BY THE IASB

As explained in note 2 to the group financial statements, in addition to complying with its legal obligation to apply IFRSs as adopted by the European Union, the group 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.

GOING CONCERN

As required by the Listing Rules we have reviewed the directors' statement on page 21 that the group is a going concern. We confirm that:

- we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the group's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

For each of the risks described, our work has included evaluating the design of the group's controls intended to address those risks and determining whether the controls exist and are being used by the entity.

RISK	HOW THE SCOPE OF OUR AUDIT RESPONDED TO THE RISK
INVENTORY The key inventory risk relates to the valuation of inventory, given the size of the inventory balance and the estimates in the calculation, which includes the absorption of overheads and supplier rebates.	We tested the cost of inventory by reference to a sample of supplier invoice costs. We have also tested the appropriateness and calculation of overhead absorption and the appropriate recognition of supplier rebates within inventory. Additionally, in performing our net realisable value testing, we have compared the level of provisioning made by management against sales made below cost during the period. We have also reviewed sales made post year end to determine if any further inventory lines were sold below cost.
PROPERTY PROVISIONS The appropriateness and completeness of onerous lease and dilapidation provisions is judgemental; they include an assessment of the likely future periods over which leasehold properties may be vacant and estimates of future costs of making good dilapidations.	We assessed the appropriateness and completeness of onerous lease and dilapidation provisions by challenging management's principal assumptions in identifying and providing for the group's at-risk properties. Our audit team included property specialists who assisted us in evaluating the Directors' estimates, for example, those relating to the length of time anticipated to exit onerous lease agreements on vacant or loss-making stores. We also challenged management's assumptions in relation to the calculation of onerous leases at loss-making stores by reviewing management's track record of returning such stores to profit and the period of time management assume will take to exit the property where relevant.
REVENUE RECOGNITION We have identified a revenue risk in relation to the timing of revenue recognition on open orders (i.e. sales not completed) where goods can take up to 15 days to be delivered and therefore could be subject to manipulation. The risk also encompasses store sales where deposits are taken for inventory items which have a long lead time or are currently out of stock. The Group's policy is to recognise such revenue when the inventory is delivered or collected as opposed to when payment is received (which is earlier).	We have performed substantive testing of revenue recorded within the first and last 15 days of the 2015 and 2014 financial periods, respectively, to test the appropriateness of revenue recognition of open orders around the period end and that only delivered goods have been recognised as income in the year. We have in turn agreed amounts where legal title of the goods have not been transferred back to the deposit liability recorded within the balance sheet.
ACCOUNTING FOR SUPPLIER REBATES The group has a number of contractual incentives including rebates with its suppliers. These arrangements have a number of thresholds and settlement dates that require management to exercise judgement when calculating the rebate receivable and the appropriate recognition within the income statement.	We performed analytical procedures (alongside our other substantive tests) for supplier agreements recognised, such as comparing income to the level of purchases and sales made, to assess the completeness of the supplier income in the year. For those agreements open at the year end we obtained a sample of supplier agreements and assessed the appropriateness of the recognition of income by assessing the underlying contractual arrangements, the likelihood of meeting the contractual thresholds and recalculating the amount of income recognised.

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

In the current period two further risks have been included within this audit report: revenue recognition and accounting for supplier rebates.

Revenue recognition is important as the amount of revenue that the Group is recognising with respect to open orders (where payment is made in advance of delivery of the product and hence transfer of risks and rewards) is an increasing part of the business as management implements new strategies. Like for like sales are also a key performance indicator of the Group.

Accounting for supplier rebates have been included as these represent a growing part of the cost of inventory and contribution to the profit of the business. Additionally, we note the heightened scrutiny in this area in the current environment.

Furthermore, in the prior period, the financial reporting risk around data migration was identified as a risk in our audit report. This related to the Group's change of accounting system and was specific to the comparative period and accordingly is no longer required.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 42.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

OUR APPLICATION OF MATERIALITY

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the group to be £829,000 (2013: £500,000), which is 5% of pre-tax profit (2013: 5 % pre-tax profit after adjusting for the fair value gain on interest rate derivatives which were settled in the year, these items have not recurred in 2014).

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £16,000 (2013: £10,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our group audit was scoped by obtaining an understanding of the group and its environment, including group-wide controls, and assessing the risks of material misstatement at the group level.

Given the nature of the group's corporate structure where all evidence relating to each component, is compiled at the group's head office, we performed an audit covering 100% of the group's trading components and accordingly our samples were selected from 100% of the group's total assets, revenue and profit (as in the prior year). With the exception of dormant components, no components were scoped out of the audit.

Our audit work was executed at levels of materiality applicable to each individual entity which were lower than group materiality and ranged from £6,000 to £746,000 (2013: £7,000 to £451,000).

At the parent entity level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.

As part of the inventory count programme, alongside attendance at the Group's main warehouse, members of the audit team visited 12 of the Group's stores as part of their consideration of the controls around revenue, inventory and count procedures. This programme of visits was designed so that the audit team visited different store locations compared to previous years depending upon risks identified in conjunction with the work performed by Internal Audit.

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 Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or
- 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 are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration

Under the Companies Act 2006 we are also required to report if, in our opinion, certain disclosures of directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns. We have nothing to report arising from these matters.

Corporate Governance Statement

Under the Listing Rules we are also required to review the part of the Corporate Governance Statement relating to the company's compliance with ten provisions of the UK Corporate Governance Code. We have nothing to report arising from our review.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team and an independent partner review.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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 and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Damian Sanders
(Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

25 November 2014

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

		52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Group revenue — continuing operations	3	**195,237**	177,849
Cost of sales		**(76,367)**	(70,826)
Gross profit		**118,870**	107,023
Employee profit sharing		**(9,827)**	(6,251)
Distribution and selling costs		**(69,161)**	(68,483)
Other operating expenses		**(5,359)**	(4,656)
Administrative costs		**(11,665)**	(10,025)
Sales and marketing costs		**(4,672)**	(3,763)
Group operating profit		**18,186**	13,845
Other gains	4	**401**	109
Investment revenue	6	**251**	170
Finance costs	6	**(2,147)**	(3,733)
Fair value gain on interest rate derivatives	6	**–**	210
Profit before taxation	4	**16,691**	10,601
Taxation	7	**(4,179)**	(1,457)
Profit for the period attributable to equity holders of the company	25	**12,512**	9,144
Earnings per ordinary share from continuing operations	9		
— basic		**6.49p**	4.76p
— diluted		**6.43p**	4.73p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Profit for the period	**12,512**	9,144
Total comprehensive income for the period attributable to equity holders of the parent Company	**12,512**	9,144

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 27 SEPTEMBER 2014

	Notes	**52 weeks ended 27 September 2014 £'000**	52 weeks ended 28 September 2013 £'000
Non-current assets			
Goodwill	10	**245**	245
Property, plant and equipment	11	**41,294**	35,348
		41,539	35,593
Current assets			
Inventories		**27,846**	26,196
Trade and other receivables	13	**5,800**	7,711
Cash and cash equivalents	14	**19,547**	18,443
		53,193	52,350
Total assets		**94,732**	87,943
Current liabilities			
Trade and other payables	15	**(36,240)**	(35,929)
Current tax liabilities		**(4,888)**	(3,734)
Provisions	18	**(876)**	(1,014)
		(42,004)	(40,677)
Net current assets		**11,189**	11,673
Non-current liabilities			
Bank loans	16	**(49,581)**	(54,820)
Deferred tax liabilities	18	**(261)**	(426)
Provisions	18	**(2,043)**	(2,204)
Total liabilities		**(93,889)**	(98,127)
Net assets/ (liabilities)		**843**	(10,184)
Equity			
Share capital	19	**6,455**	6,404
Share premium	20	**1,879**	1,492
Own shares	21	**(656)**	(10)
Merger reserve	22	**(399)**	(399)
Share-based payment reserve	23	**1,941**	649
Capital redemption reserve	24	**20,359**	20,359
Retained earnings	25	**(28,736)**	(38,679)
Total funds/(deficit) attributable to equity holders of the parent		**843**	(10,184)

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

The financial statements of Topps Tiles Plc, registered number 3213782, on pages 67 to 96 were approved by the board of directors and authorised for issue on 25 November 2014. They were signed on its behalf by:

M T M Williams
R Parker
Directors

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

	Share capital £'000	Share premium £'000	Own shares £'000	Merger reserve £'000	Share-based payment reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 29 September 2012	6,395	1,481	(4)	(399)	566	20,359	(45,746)	(17,348)
Profit and total comprehensive income for the period	–	–	–	–	–	–	9,144	9,144
Issue of share capital	9	11	–	–	–	–	–	20
Dividends	–	–	–	–	–	–	(2,396)	(2,396)
Own shares purchased in the period	–	–	(6)	–	–	–	–	(6)
Credit to equity for equity-settled share-based payments	–	–	–	–	83	–	–	83
Deferred tax on share-based payment transactions	–	–	–	–	–	–	319	319
Balance at 28 September 2013	6,404	1,492	(10)	(399)	649	20,359	(38,679)	(10,184)
Profit and total comprehensive income for the period	–	–	–	–	–	–	12,512	12,512
Issue of share capital	51	387	–	–	–	–	–	438
Dividends	–	–	–	–	–	–	(3,175)	(3,175)
Own shares purchased in the period	–	–	(650)	–	–	–	–	(650)
Own shares issued in the period	–	–	4	–	–	–	–	4
Credit to equity for equity-settled share-based payments	–	–	–	–	1,292	–	–	1,292
Deferred tax on share-based payment transactions	–	–	–	–	–	–	606	606
Balance at 27 September 2014	**6,455**	**1,879**	**(656)**	**(399)**	**1,941**	**20,359**	**(28,736)**	**843**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Cash flow from operating activities		
Profit for the period	**12,512**	9,144
Taxation	**4,179**	1,457
Fair value gain on interest rate derivatives	**–**	(210)
Finance costs	**2,147**	3,733
Investment revenue	**(251)**	(170)
Other gains on sale of freehold properties	**(401)**	(109)
Group operating profit	**18,186**	13,845
Adjustments for:		
Depreciation of property, plant and equipment	**4,553**	4,258
Impairment of property, plant and equipment	**348**	553
Share option charge	**1,292**	83
Decrease/(increase) in trade and other receivables	**1,834**	(486)
Increase in inventories	**(1,650)**	(279)
Increase in payables	**348**	10,209
Cash generated by operations	**24,911**	28,183
Interest paid	**(1,695)**	(3,265)
Taxation paid	**(2,582)**	(2,649)
Net cash from operating activities	**20,634**	22,269
Investing activities		
Interest received	**140**	199
Purchase of property, plant and equipment	**(11,450)**	(5,586)
Proceeds on disposal of property, plant and equipment	**733**	398
Purchase of own shares	**(646)**	–
Net cash used in investment activities	**(11,223)**	(4,989)
Financing activities		
Dividends paid	**(3,175)**	(2,396)
Proceeds from issue of share capital	**438**	14
Settlement of interest rate hedge	**–**	(5,897)
Loan issue costs	**(570)**	–
Repayment of bank loans	**(5,000)**	(5,000)
Net cash used in financing activities	**(8,307)**	(13,279)
Net increase in cash and cash equivalents	**1,104**	4,001
Cash and cash equivalents at beginning of period	**18,443**	14,442
Cash and cash equivalents at end of period	**19,547**	18,443

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

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 35. The nature of the Group's operations and its principal activity are set out in the Directors' Report on page 36.

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 18.

Adoption of new and revised standards

In the current period, the following new and revised standards and interpretations have been adopted and may affect the future amounts reported in the financial statements:
IFRS 13 – Fair Value Measurement; this standard defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements.

Standards not affecting the reported results nor the financial position

The following new and revised Standards and Interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in these financial statements that may impact the accounting for future transactions and arrangements.

IAS 1 (amended) – Presentation of Items of Other Comprehensive Income; the amendments improve the consistency and clarity of the presentation of items of other comprehensive income.
IAS 19 (revised) – Employee Benefits; this revised standard prescribes the accounting and disclosure by employers for employee benefits.
Improvements to IFRSs 2011-13. Aside from those items already identified above, the amendments made to standards under the 2010 improvements to IFRSs have had no impact and will not have any impact on the group.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9 – Financial Instruments

IFRS 10 – Consolidated Financial Statements

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 15 – Revenue from Contracts with Customers

IAS 16 and IAS 38 (amended): Clarification of Acceptable Methods of Depreciation and Amortisation

IAS 27 (amended): Equity Method in Separate Financial Statements

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

2 ACCOUNTING POLICIES

a) Basis of accounting

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (continued)
b) Going concern
When considering the going concern test the Board review several factors including a detailed review of the above risks and uncertainties, the Group's forecast covenant and cash headroom against lending facilities (which were refinanced in June 2014) and management's current expectations. As a result of this review the Board believes that the Group will continue to meet all of its financial commitments as they fall due and will be able to continue as a going concern. Therefore, the Board considers it appropriate to prepare the financial statements on the going concern basis.

The principal accounting policies adopted are set out below.

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

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

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

Throughout the financial statements, Directors' Report and Business Review, references to 2014 mean at 27 September 2014 or the 52 weeks then ended; references to 2013 mean at 28 September 2013 or the 52 weeks then ended.

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

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

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

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

Goodwill arising on acquisitions before the date of transition to IFRSs has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date. Goodwill of £15,080,000 written off to reserves under UK GAAP prior to 1998 has not been reinstated and will not be included in determining any subsequent profit or loss on disposal.

f) Revenue recognition

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

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

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

The level of sales returns is closely monitored by management and provided for when management considers them to be significant 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

Items are classed as exceptional where they relate to one-off costs incurred in the period that the directors do not expect to be repeated in the same magnitude on an annual basis, or where the directors consider the separate disclosure to be necessary to understand the Group's performance. The principles applied in identifying exceptional costs are consistent between periods. There were no exceptional items in the current or prior period.

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, except for the following; 4 years for computer equipment or 5 years for display stands, per annum on a straight-line basis as appropriate
Motor vehicles	25% per annum on a reducing balance basis

Freehold land is not depreciated.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (continued)

i) Impairment of tangible and intangible assets excluding goodwill

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

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

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

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

j) Inventories

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

k) Taxation

The tax expense represents the sum of the tax charge for the period and deferred tax.

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

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

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

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

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

l) Foreign currency

The individual financial statements of each Group company are presented in pounds sterling (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentational currency for the consolidated financial statements.

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

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

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in 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 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 (thereby forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

m) Leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease even where payments are not made on such a basis, except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed or a provision has been made for an onerous lease. 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.

The Group provides for the unavoidable costs prior to lease termination or sub-lease relating to onerous leases. Dilapidation costs are provided for against all leasehold properties across the entire estate.

n) Investments

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

o) Retirement benefit costs

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

p) Finance costs

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

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (continued)
q) Financial instruments
Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

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

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

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

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. 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.

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

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

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

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 43 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

Impairment of financial assets (continued)
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 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.

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

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

2 ACCOUNTING POLICIES (continued)
Derivative financial instruments
The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates.

The Group uses foreign exchange forward contracts to manage its foreign currency risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

The use of financial derivatives is governed by the Group's policies approved by the board of directors, on the use of financial derivatives.

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

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

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

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

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, finance costs and fair value movement in derivative contracts.

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) Supplier income
Amounts receivable from suppliers are initially held on the balance sheet within the cost of inventory and recognised within the income statement once the contractual terms of the supplier agreements are met and the corresponding inventory has been sold.

w) 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. In particular, the largest judgement is where there are open orders and these goods have not been delivered to the customer, and in these cases the Directors believe the significant risks and rewards of ownership of the goods have not been transferred to the buyer and therefore do not recognise revenue on these orders.

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:

Inventory
At the period end there were £2.2 million (2013: £2.3 million) of overheads and £2.1 million (2013: £1.8 million) of supplier income (rebates) absorbed into the inventory balance. Additionally, there were £0.6 million (2013: 0.8 million) of provisions against the net realisable value of inventories.

Property provisions
Onerous lease provision
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 terms had expired (2013: two stores). In respect of the leases in relation to stores exited before lease end dates in prior periods that are still vacant, the Group has provided for what it considers to be the unavoidable costs prior to lease termination or sub-lease. The Group has further reviewed any trading loss-making stores and provided for those leases considered to be onerous. These estimates are based upon available information and knowledge of the property market. The ultimate costs to be incurred in this regard may vary from the estimates.

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

Supplier income
The Group has arrangements with a number of its suppliers which award rebates on satisfaction of purchase thresholds or discounts against certain inventory lines. At the period end, the Group has invoiced £1.2 million of rebates (2013: £0.5 million) which are still outstanding in receivables and holds £2.1 million (2013: £1.8 million) of rebates within the inventory balance (as above). The Group does not recognise the amounts received from suppliers within the income statement until the associated inventories are sold to the customers of the Group.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

3 REVENUE
An analysis of Group revenue is as follows:

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Revenue from the sale of goods	**195,237**	177,849
Fair value gain on forward currency contracts	**110**	–
Investment revenue	**141**	170
Total revenue	**195,488**	178,019

Investment revenue represents bank interest receivable. There are no other gains recognised in respect of loans and receivables.

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

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Depreciation of property, plant and equipment	**4,553**	4,258
Impairment of property, plant and equipment	**399**	553
Disposal of property, plant and equipment gain	**(401)**	(109)
Property-related provisions (released)/charged	**(7)**	927
Staff costs (see note 5)	**45,865**	43,123
Operating lease rentals	**21,168**	20,629
Write down of inventories recognised as an expense	**2,584**	2,807
Cost of inventories recognised as expense	**73,783**	68,019
Net foreign exchange gain	**(268)**	(11)

Disposal of property, plant and equipment gain relates to the sale of one freehold property (2013: one freehold property).

Analysis of the auditor's remuneration is provided below:

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Fees payable to the Company's auditor with respect to the Company's annual accounts	**40**	50
Fees payable to the Company's auditor and their associates for other audit services to the Group:		
Audit of the Company's subsidiaries pursuant to legislation	**85**	110
Total audit fees	**125**	160
Audit-related assurance services	**–**	5
Taxation compliance services	**70**	73
Remuneration Committee advice	**13**	8
Total non-audit fees	**83**	86
	208	246

A description of the work of the Audit Committee is set out on page 42 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the auditor.

5 STAFF COSTS

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

	52 weeks ended 27 September 2014 Number employed	52 weeks ended 28 September 2013 Number employed
Selling	**1,619**	1,556
Administration	**175**	164
	1,794	1,720

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Their aggregate remuneration comprised:		
Wages and salaries (including LTIP, see note 27)	**41,577**	39,447
Social security costs	**3,636**	3,466
Other pension costs (see note 26b)	**652**	210
	45,865	43,123

Details of directors' emoluments are disclosed on page 46. Employee profit sharing of £9.8 million (2013: £6.4 million) is included in the above and comprises sales commission and bonuses.

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

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Investment revenue		
Bank interest receivable and similar income	**141**	170
Fair value gain on forward currency contracts	**110**	–
	251	170
Finance costs		
Interest on bank loans and overdrafts	**(2,042)**	(2,200)
Interest on interest rate derivatives	**–**	(506)
Interest on underpaid tax*	**(105)**	(1,000)
Fair value loss on forward currency contracts	**–**	(27)
	(2,147)	(3,733)

* The Group has historically provided for tax on open HMRC enquiries, some of which have now been resolved. As a result, some historic tax payments have been reallocated between periods which, whilst leading to a net reduction in the overall level of provision required, has required a reallocation of provision from corporation tax payable to cover interest which may become due on underpaid tax in earlier periods. In the event that additional tax is ultimately due in those earlier periods, it is estimated that £1,105,000 of late payment interest would fall due, of which £1,000,000 was provided for in the prior period.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

6 INVESTMENT REVENUE, FINANCE COSTS AND FAIR VALUE LOSS ON INTEREST RATE DERIVATIVES (continued)
Held for trading assets and liabilities

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Interest rate swaps gain	**–**	210
Forward currency contracts gains/(losses)	**110**	(27)
	110	183

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. There are no other gains or losses recognised in respect of financial liabilities measured at amortised cost.

7 TAXATION

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Continuing operations:		
Current tax – charge for the period	**4,087**	1,799
Current tax – adjustment in respect of previous periods	**(57)**	(1,226)
Deferred tax – effect of reduction in UK corporation tax rate	**(81)**	–
Deferred tax – charge for period (note 18)	**133**	875
Deferred tax – adjustment in respect of previous periods (note 18)	**97**	9
	4,179	1,457

Corporation tax in the UK is calculated at 22% (2013: 23.5%) of the estimated assessable profit for the period.

The Finance Act 2013 included provision to reduce the rate of corporation tax to 21% with effect from 1 April 2014 and 20% from 1 April 2015.

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

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Continuing operations:		
Profit before taxation	**16,691**	10,601
Tax at the UK corporation tax rate of 22% (2013: 23.5%)	**3,672**	2,491
Tax effect of expenses that are not deductible in determining taxable profit	**367**	16
Tax effect of reduction in UK corporation tax rate	**(81)**	–
Tax effect of chargeable gain lower than profit on sale of freehold property	**(21)**	(56)
Tax effect of tangible fixed assets which do not qualify for capital allowances	**201**	222
Tax effect of adjustment in respect of prior periods	**41**	(1,216)
Tax expense for the period	**4,179**	1,457

8 DIVIDENDS

	52 weeks ended 27 September 2014 £'000	52 weeks ended 28 September 2013 £'000
Interim dividend for the period ended 27 September 2014 of £0.0065 (2013: £0.005) per share	**1,257**	958
Proposed final dividend for the period ended 27 September 2014 of £0.016 (2013: £0.01) per share	**3,098**	1,921

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.

9 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.

	2014 Number of shares	2013 Number of shares
Weighted average number of shares for basic earnings per share	**192,850,860**	192,012,412
Weighted average number of shares under option	**1,690,097**	1,351,853
For diluted earnings per share	**194,540,957**	193,364,265

The calculation of the basic and diluted earnings per share used the denominators as shown above for both basic and diluted earnings per share.

10 GOODWILL

	£'000
Cost and carrying amount at 29 September 2012, 28 September 2013 and 27 September 2014	245

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

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

The recoverable amounts are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. 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 12.0% (2013: 13.0%).

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

11 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings		Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
	Freehold £'000	Short leasehold £'000			
Cost					
At 29 September 2012	15,801	1,842	53,034	90	70,767
Additions	70	–	5,358	121	5,549
Disposals	(511)	–	(2,042)	(45)	(2,598)
At 28 September 2013	15,360	1,842	56,350	166	73,718
Additions	2,872	–	8,345	15	11,232
Disposals	(281)	(10)	(1,236)	(61)	(1,588)
At 27 September 2014	**17,951**	**1,832**	**63,459**	**120**	**83,362**
Accumulated depreciation and impairment					
At 29 September 2012	1,632	1,611	32,459	49	35,751
Charge for the period	227	67	3,925	39	4,258
Provision for impairment	–	–	550	3	553
Eliminated on disposals	(240)	–	(1,925)	(27)	(2,192)
At 28 September 2013	1,619	1,678	35,009	64	38,370
Charge for the period	242	51	4,228	32	4,553
Provision for impairment	–	–	389	10	399
Eliminated on disposals	(94)	(10)	(1,115)	(35)	(1,254)
At 27 September 2014	**1,767**	**1,719**	**38,511**	**71**	**42,068**
Carrying amount					
At 27 September 2014	**16,184**	**113**	**24,948**	**49**	**41,294**
At 28 September 2013	13,741	164	21,341	102	35,348

Freehold land and buildings include £4,104,000 of freehold land (2013: £4,104,000) on which no depreciation has been charged in the current period. There is no material difference between the carrying and market values. Cumulative finance costs capitalised in the cost of tangible fixed assets amount to £nil (2013: £nil).

Contractual commitments for the acquisition of property, plant and equipment are detailed in note 28.

During the period, the Group has closed nine stores in the UK. As the fixtures and fittings within these stores cannot be reused in other locations within the Group, the carrying value of these assets has been fully provided for in the period, with the associated impairment charge of £389,000 (2013: £550,000) included within other operating expenses.

12 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.

13 TRADE AND OTHER RECEIVABLES

	2014 £'000	2013 £'000
Amounts falling due within one year:		
Amounts receivable for the sale of goods	**740**	714
Allowance for doubtful debts	**(45)**	(59)
Other debtors and prepayments		
— Rent and rates	**3,324**	5,072
— Other	**1,781**	1,984
	5,800	7,711

The Directors consider that the carrying amount of trade and other receivables at 27 September 2014 and 28 September 2013 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 27 September 2014 amounted to £0.7 million (2013: £0.7 million). These amounts mainly relate to sundry trade accounts and Tesco Clubcard Scheme generated sales. In relation to these sales, the average credit period taken is 61 days (2013: 62 days) and no interest is charged on the receivables. Trade receivables aged over 60 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, £120,000 (2013: £161,000) is due from Tesco Plc, the Group's largest customer.

Included in the Group's trade receivable balance are debtors with a carrying amount of £42,000 (2013: £36,000) 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.

Ageing of past due but not impaired receivables:

	2014 £'000	2013 £'000
Greater than 60 days	**42**	36

The allowance for doubtful debts was £45,000 by the end of the period (2013: £59,000). 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 £45,000 relating to individually impaired trade receivables (2013: £59,000) which are due from companies that have been placed into liquidation.

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

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

14 CASH AND CASH EQUIVALENTS

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

	2014 £'000	2013 £'000
Sterling	**19,367**	18,369
US Dollar	**31**	27
Euro	**149**	47
Total cash and cash equivalents	**19,547**	18,443

15 OTHER FINANCIAL LIABILITIES

Trade and other payables

	2014 £'000	2013 £'000
Amounts falling due within one year:		
Trade payables	**18,193**	18,244
Other payables	**5,841**	5,506
Accruals and deferred income	**12,206**	12,179
	36,240	35,929

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 58 days (2013: 59 days). No interest is charged on these payables.

The Directors consider that the carrying amount of trade payables at 27 September 2014 and 28 September 2013 approximates to their fair value on the basis of discounted cash flow analysis.

16 BANK LOANS

	2014 £'000	2013 £'000
Bank loans (all sterling)	**49,467**	54,555

	2014 £'000	2013 £'000
The borrowings are repayable as follows:		
On demand or within one year	**–**	–
In the second year	**–**	–
In the third to fifth year	**50,000**	55,000
	50,000	55,000
Less: total unamortised issue costs	**(533)**	(445)
	49,467	54,555
Issue costs to be amortised within 12 months	**114**	265
Amount due for settlement after 12 months	**49,581**	54,820

The Directors consider that the carrying amount of the bank loan at 27 September 2014 and 28 September 2013 approximates to its fair value since the amounts relate to floating rate debt.

16 BANK LOANS (continued)

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

	2014 %	2013 %
Loans	**3.05**	3.30

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

During the period the Group agreed a new five year revolving credit facility of £50.0 million, expiring 1 June 2019. As at the financial period end £50.0 million of this facility was drawn. The loan facility contains financial covenants which are tested on a biannual basis.

At 27 September 2014, the Group had available £nil (2013: £10 million) of undrawn committed banking facilities.

17 FINANCIAL INSTRUMENTS

Financial liabilities held for trading were reclassified in the prior period in order to more appropriately reflect the requirements of IAS 1. Classification as non-current liabilities ensures the instrument mirrors the cash flows of the loan facility, which it is in place to hedge against.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2013. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 16, cash and cash equivalents disclosed in note 14, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in notes 19 to 25.

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

Significant accounting policies

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

Categories of financial instruments:

	Carrying Value and Fair Value	
	2014 £'000	2013 £'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	**20,242**	19,098
Financial liabilities		
Fair value through profit and loss	**18**	129
Amortised cost	**66,579**	72,935

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.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

17 FINANCIAL INSTRUMENTS (continued)
Market risks
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into forward foreign exchange contracts to hedge the exchange rate risk arising on the import of goods.

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	
	2014 £'000	2013 £'000	**2014 £'000**	2013 £'000
Euro	**149**	47	**1,502**	801
US Dollar	**31**	135	**792**	–

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

	2014 £'000	2013 £'000
Profit or Loss movement on a 10% strengthening in Sterling against the Euro	**123**	68
Profit or Loss movement on a 10% strengthening in Sterling against the US Dollar	**69**	(12)
Profit or Loss movement on a 10% weakening in Sterling against the Euro	**(150)**	(84)
Profit or Loss movement on a 10% weakening in Sterling against the US Dollar	**(85)**	15

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:

	2014 £'000	2013 £'000
Forward foreign exchange contracts	**5,766**	4,828

These arrangements are designed to address significant exchange exposures for the first half of 2014 and are renewed on a revolving basis as required.

At 27 September 2014 the fair value of the Group's currency derivatives is an £18,000 liability within accruals and deferred income (note 15) (2013: a liability of £128,000). These amounts are based on the market value of equivalent instruments at the balance sheet date.

Gains of £110,000 are included in finance costs (note 6) (2013: £27,000 loss).

17 FINANCIAL INSTRUMENTS (continued)

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at floating interest rates. Due to the reduced level of floating rate borrowings and the current low level of interest rates, management have not deemed it necessary to implement measures that would mitigate this risk. 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 derivative 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	
	2014 £'000	2013 £'000	**2014 £'000**	2013 £'000
(Loss) or profit	**(195)**	(187)	**195**	187

The Group's sensitivity to interest rates mainly relates to the revolving credit facility.

Interest rate derivatives

In the prior period the Group used interest rate derivatives to manage its exposure to interest rate movements on its bank borrowings.

The Group's interest rate derivative, which was closed during the prior period, comprised of a 10 year cancellable collar with a notional value of £nil (2013: £nil) with a cap of 5.6% and a floor of 4.49%. The interest rate within this range was LIBOR less 0.4%. Where LIBOR fell below the floor the interest rate was reset to a fixed level of 5.55%.

The fair value liability of the swaps entered into at 27 September 2014 is estimated at £nil (2013: £nil). An amount of £nil has been credited to the statement of financial performance in the period (2013: £210,000 charge).

On 30 April 2013 the Group settled the 10 year cancellable collar, for a consideration of £5,897,000.

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 13.

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 borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

17 FINANCIAL INSTRUMENTS (continued)

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows (and on the assumption that the variable interest rate remains constant at the latest fixing level of 2.45694% (2013: 3.01688%)) 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.

2014	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	Total £'000
Non-interest bearing	**24,034**	**–**	**–**	**–**	**24,034**
Variable interest rate instruments	**95**	**5,199**	**882**	**49,210**	**55,386**

2013	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	Total £'000
Non-interest bearing	35,929	–	–	–	35,929
Variable interest rate instruments	5,131	289	1,254	51,130	57,804

The Group is financed through a £50 million (2013: £65 million) revolving credit facility of which £50 million (2013: £55 million) was utilised. At the balance sheet date the total unused amount of financing facilities was £nil (2013: £10 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows/(outflows) on the derivative instruments that settle on a net basis and the undiscounted gross inflows/(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.

2014	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	5+ years £'000	Total £'000
Foreign exchange forward contracts payments	**–**	**(2,903)**	**(2,864)**	**–**	**–**	**(5,767)**
Foreign exchange forward contracts receipts	**–**	**2,884**	**2,888**	**–**	**–**	**5,772**

2013	Less than 1 month £'000	1–3 months £'000	3 months to 1 year £'000	1–5 years £'000	5+ years £'000	Total £'000
Foreign exchange forward contracts payments	–	(1,956)	(2,872)	–	–	(4,828)
Foreign exchange forward contracts receipts	–	1,878	2,819	–	–	4,697

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 the maturities of the contracts.

  The fair values are therefore categorised as Level 2 (2013: 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).

18 PROVISIONS

	2014 £'000	2013 £'000
Onerous lease provision	**1,493**	1,973
Dilapidations provision	**1,426**	1,245
	2,919	3,218
Current	**876**	1,014
Non-current	**2,043**	2,204
	2,919	3,218

	Onerous lease provision £'000	Dilapidations provision £'000	Total £'000
At 28 September 2013	1,973	1,245	3,218
Additional provision in the period	409	642	1,051
Utilisation of provision	(796)	(308)	(1,104)
Release of provision in the period	(93)	(153)	(246)
At 27 September 2014	**1,493**	**1,426**	**2,919**

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

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

	Accelerated tax depreciation £'000	Other short-term timing differences £'000	Share-based payments £'000	Exchange rate differences £'000	Interest rate hedging £'000	Rent free £'000	Total £'000
As at 29 September 2012	1,719	(54)	(140)	(23)	(1,063)	(578)	(139)
(Credit)/charge to income	(155)	31	(19)	(5)	1,061	(38)	875
Charge in respect of previous periods	9	–	–	–	–	–	9
Credit to equity	–	–	(319)	–	–	–	(319)
As at 28 September 2013	1,573	(23)	(478)	(28)	(2)	(616)	426
Charge to income	26	–	80	22	2	4	134
Charge in respect of previous periods	74	23	–	–	–	–	97
Impact of rate change	(215)	–	50	4	–	80	(81)
Credit to equity	–	–	(315)	–	–	–	(315)
As at 27 September 2014	**1,458**	**–**	**(663)**	**(2)**	**–**	**(532)**	**261**

The Finance Act 2013, which was substantively enacted in July 2013, included provisions to reduce the rate of corporation tax to 21% with effect from 1 April 2014 and 20% from 1 April 2015. Deferred tax balances have been revalued to the lower rate of 20% in these accounts. To the extent that the deferred tax reverses before 1 April 2015 then the impact on the net deferred tax liability will be reduced.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

19 CALLED-UP SHARE CAPITAL

	2014 £'000	2013 £'000
Authorised 240,000,000 (2013: 240,000,000) ordinary shares of 3.33p each (2013: 3.33p)	**8,000**	8,000
Authorised 37,000,000 (2013: 37,000,000) redeemable B shares of £0.54 each	**19,980**	19,980
Authorised 124,890,948 (2013: 124,890,948) irredeemable C shares of £0.001 each	**125**	125
	28,105	28,105
Issued and fully-paid 193,636,240* (2013: 192,127,669*) ordinary shares of 3.33p each (2013: 3.33p)	**6,455**	6,404
Total	**6,455**	6,404

During the period the Group issued 1,508,571 (2013: 274,959) ordinary shares with a nominal value of £50,286 (2013: £9,156) under share option schemes for an aggregate cash consideration of £438,111 (2013: £20,307).

* During the period £500,000 (2013: £191,000) shares were purchased by Topps Tiles Employee Benefit Trust on behalf of the Group.

20 SHARE PREMIUM

	2014 £'000	2013 £'000
At start of period	**1,492**	1,481
Premium on issue of new shares	**387**	11
At end of period	**1,879**	1,492

21 OWN SHARES

	2014 £'000	2013 £'000
At start of period	**(10)**	(4)
Acquired in the period	**(650)**	–
Issued in the period	**–**	(6)
Disposed of on issue in the period	**4**	–
At end of period	**(656)**	(10)

A subsidiary of the Group holds 923,000 (2013: 313,000) shares with a nominal value of £31,000 (2013: £10,000) and therefore these have been classed as own shares.

22 MERGER RESERVE

	2014 £'000	2013 £'000
At start and end of period	**(399)**	(399)

The merger reserve arose on pre 2006 acquisitions; the Directors do not consider this to be distributable as at 27 September 2014.

23 SHARE-BASED PAYMENT RESERVE

	2014 £'000	2013 £'000
At start of period	**649**	566
Credit to equity for equity-settled share-based payments	**1,292**	83
At end of period	**1,941**	649

The share-based payment reserve has arisen on the fair valuation of save as you earn schemes and long-term incentive plans. The Directors do not consider this to be distributable as at 27 September 2014.

24 CAPITAL REDEMPTION RESERVE

	2014 £'000	2013 £'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. The Directors do not consider this to be distributable as at 27 September 2014.

25 RETAINED EARNINGS

	£'000
At 29 September 2012	(45,746)
Dividends (note 8)	(2,396)
Deferred tax on sharesave scheme taken directly to equity	319
Net profit for the period	9,144
At 28 September 2013	(38,679)
Dividends (note 8)	(3,175)
Deferred tax on sharesave scheme taken directly to equity	606
Net profit for the period	12,512
At 27 September 2014	**(28,736)**

26 FINANCIAL COMMITMENTS

a) Capital commitments

At the end of the period there were capital commitments contracted of £164,000 (2013: £200,000).

b) Pension arrangements

The Group operates a defined contribution pension scheme 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 £652,000 (2013: £210,000). At the period end there were no outstanding contributions (2013: same).

c) Lease commitments

Minimum future sub-lease payments expected to be received under non-cancellable sub-leases amount to £2,652,000 (2013: £2,238,000).

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

Minimum lease payments under operating leases recognised as an expense for the period were £21,168,000 (2013: £20,629,000) which includes property service charges of £767,000 (2013: £707,000).

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

26 FINANCIAL COMMITMENTS (continued)
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:

	2014		2013	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
— within 1 year	**19,936**	**868**	20,270	1,321
— within 2-5 years	**66,554**	**949**	67,540	953
— after 5 years	**58,285**	**–**	65,884	–
	144,775	**1,817**	153,694	2,274

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 (2013: 5).

27 SHARE-BASED PAYMENTS
The Group operates seven share option schemes in relation to Group employees.

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 3 or 5 year period.

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

	2014		2013	
	Number of share options	**Weighted average exercise price £**	Number of share options	Weighted average exercise price £
Outstanding at beginning of period	**3,352,424**	**0.37**	1,972,894	0.32
Issued during the period	**910,851**	**0.98**	2,029,575	0.43
Expired during the period	**(269,528)**	**0.31**	(553,079)	0.46
Exercised during the period	**(1,508,571)**	**0.29**	(96,966)	0.17
Outstanding at end of period	**2,485,176**	**0.63**	3,352,424	0.37
Exercisable at end of period	**2,485,176**	**0.63**	3,352,424	0.37

The inputs to the Black–Scholes Model for the above 3 and 5 year plans are as follows:

		2014	2013
Weighted average share price	— pence	**79.0**	45.9
Weighted average exercise price	— pence	**63.2**	36.7
Expected volatility (3 and 5 years)	— %	**42.2 and 43.7**	48.1 and 63.6
Expected life	— years	**3 or 5**	3 or 5
Risk-free rate of interest	— %	**0.60**	0.34
Dividend yield	— %	**2.79**	3.18

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous 3 or 5 years (2013: 3 or 5 years). The expected risk used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural forces.

27 SHARE-BASED PAYMENTS (continued)

Deferred bonus long-term incentive plan

During the financial period ended 28 September 2013 an award was made under the deferred bonus long-term incentive plan (LTIP) for the Senior Management Team. Under this bonus scheme 25% of the award (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. This scheme was replaced in January 2013 when a new Long Term Incentive Plan was approved by shareholders and as such there will be no further awards under this scheme.

The total number of shares awarded was 191,084, and the fair value of these deferred shares as at 27 September 2014 was £88,000 (2013: £81,000).

The total number of matching shares that are expected to be awarded, subject to fulfilment of the performance conditions is 363,614 and the fair value of these matching shares as at 27 September 2014 was £167,000 (2013: £163,000). No options were granted or exercised during the period (2013: none). There were no options outstanding at 27 September 2014.

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

		2014	2013
Weighted average share price	— pence	**46.0**	50.5
Weighted average exercise price	— pence	**–**	–
Expected volatility	— %	**36.9**	43.8
Expected life	— years	**2**	2
Risk-free rate of interest	— %	**0.3**	0.3

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2012/13 and 2013/14 financial periods (2013: 2011/12 and 2012/13 financial periods). 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.

Long Term Incentive Plan

During the prior financial period, a new three year Long Term Incentive plan was approved by shareholders. Under this plan a number of share options were granted to senior management. These options will vest in December 2015 subject to the achievement of certain performance criteria.

The total number of share options granted was 2,073,474 and the fair value of these options as at 27 September 2014 was £929,000 (2013: £nil).

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

		2014	2013
Weighted average share price	— pence	**46.3**	–
Weighted average exercise price	— pence	**–**	–
Expected volatility	— %	**42.2**	–
Expected life	— years	**3**	–
Risk-free rate of interest	— %	**0.6**	–

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2011/12, 2012/13 and 2013/14 financial periods (2013: 2010/11, 2011/12 and 2012/13 financial periods). 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 FINANCIAL STATEMENTS
CONTINUED

27 SHARE-BASED PAYMENTS (continued)

During the financial period, a further three year Long Term Incentive plan was approved by shareholders. Under this plan a number of share options were granted to senior management. These options will vest in December 2016 subject to the achievement of certain performance criteria.

The total number of share options granted was 1,532,730 and the fair value of these options as at 27 September 2014 was £1,351,000.

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

		2014	2013
Weighted average share price	– pence	**93.2**	–
Weighted average exercise price	– pence	**–**	–
Expected volatility	– %	**42.2**	–
Expected life	– years	**3**	–
Risk-free rate of interest	– %	**1.2**	–

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2011/12, 2012/13 and 2013/14 financial periods. 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.

Management Options

During the prior period members of the Management team were granted share options that are due to vest in October 2015, subject to the fulfilment of criteria. The number of shares that are expected to be awarded is 260,000 (2013: 290,000) and the fair value of these shares as at 27 September 2014 was £127,000 (2013: £138,000).

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

		2014	2013
Weighted average share price	– pence	**46.3**	55.0
Weighted average exercise price	– pence	**–**	–
Expected volatility	– %	**42.2**	48.1
Expected life	– years	**3**	3
Risk-free rate of interest	– %	**0.56**	0.54

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2011/12, 2012/13 and 2013/14 financial periods. 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 £1,292,000 (2013: £83,000) relating to share-based payments.

28 RELATED PARTY TRANSACTIONS

S K M Williams is a related party by virtue of his 10.6% shareholding (20,593,950 ordinary shares) in the Group's issued share capital (2013: 10.7% shareholding of 20,593,950 ordinary shares).

At 27 September 2014 S.K.M. Williams was the landlord of three properties leased to Multi Tile Limited, a trading subsidiary of Topps Tiles Plc, for £162,000 (2013: four properties for £208,000) per annum.

No amounts were outstanding with S.K.M. Williams at 27 September 2014 (2013: £nil). The lease agreements on all properties are operated on commercial arm's length terms.

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

The remuneration of the Board of Directors, who are considered key management personnel of the Group was £1.6 million (2013: £1.1 million) including share-based payments of £193,000 (2013: £nil). Further information about the remuneration of the individual Directors is provided in the Remuneration Report on pages 46 to 61.

COMPANY BALANCE SHEET

AS AT 27 SEPTEMBER 2014

	Notes	**52 weeks ended 2014 £'000**	52 weeks ended 2013 £'000
Fixed assets			
Investments	3	**3,059**	2,959
Current assets			
Debtors due within one year	4	**5,306**	3,156
Debtors due after one year	4	**123,200**	123,200
Cash at bank and in hand		**18,689**	14,784
		147,195	141,140
Creditors: Amounts falling due within one year	5	**(5,197)**	(1,387)
Net current assets		**141,998**	139,753
Net assets		**145,057**	142,712
Capital and reserves			
Called-up share capital	6,7	**6,455**	6,404
Share premium	7	**1,879**	1,492
Share-based payment reserve	7	**1,945**	649
Capital redemption reserve	7	**20,359**	20,359
Other reserve	7	**6,200**	6,200
Profit and loss account	7	**108,219**	107,608
Equity shareholders' funds		**145,057**	142,712

The financial statements of Topps Tiles Plc, Companies House number 3213782, were approved by the board of directors on 25 November 2014 and signed on its behalf by:

M T M Williams
R. Parker
Directors

NOTES TO THE COMPANY FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2014

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

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

The current economic climate creates a degree of uncertainty in the outlook which when combined with the financial covenants included in our loan facilities, has led the Board to conduct a detailed review of a number of different trading scenarios, including reasonably possible downsides, as well as possible mitigating actions, should they be required.

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

There have been no changes to the principal accounting policies in the period, all of which have been applied consistently throughout the period and the preceding period.

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant.

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 PERIOD
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 27 September 2014 of £611,000 (2013: £100,711,000 loss). In the prior period, following a review of the projected cash flows relating to this company and its subsidiaries, an impairment of £98,000,000 was recognised against the intercompany receivable.

The auditor's remuneration for services to the company was £40,000 for audit-related work (2013: £50,000). Fees relating to non-audit work totalled £nil (2013: £nil); see note 4 to the Group financial statements for further details.

The Company had no other employees other than the Directors (2013: same), whose remuneration is detailed on page 55.

3 FIXED ASSET INVESTMENTS

	Shares £'000
At 28 September 2013	2,959
Movement in share options granted to employees	100
At 27 September 2014	**3,059**

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

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

*Held directly by Topps Tiles Plc

The investments are represented by ordinary shares.

All undertakings are incorporated in Great Britain and are registered and operate in England and Wales.

4 DEBTORS

	2014 £'000	2013 £'000
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	**5,253**	2,977
Other debtors	**36**	166
Prepayments and accrued income	**17**	13
	5,306	3,156
Amounts falling due after one year:		
Amounts owed by subsidiary undertaking	**123,200**	123,200

In the prior period, following a review of the projected cash flows relating to this company and its subsidiaries, an impairment of £98,000,000 was recognised against the intercompany receivable. No such charge has been recognised in the current period.

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.

NOTES TO THE COMPANY FINANCIAL STATEMENTS
CONTINUED

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Trade and other creditors	17	17
Amounts owed to subsidiary undertakings	2,796	251
Accruals and deferred income	2,384	1,119
	5,197	1,387

6 CALLED-UP SHARE CAPITAL

	2014 £'000	2013 £'000
Authorised 240,000,000 (2013: 240,000,000) ordinary shares of 3.33p each (2013: 3.33p)	8,000	8,000
Authorised 37,000,000 (2013: 37,000,000) redeemable B shares of £0.54 each	19,980	19,980
Authorised 124,890,948 (2013: 124,890,948) irredeemable C shares of £0.001 each	125	125
	28,105	28,105
Issued and fully-paid 193,636,240* (2013: 192,127,669*) ordinary shares of 3.33p each (2013: 3.33p)	6,455	6,404

* During the period 441,594 (£500,000) shares were purchased by Topps Tiles Employee Benefit Trust on behalf of the Group.

During the period the Group allotted 1,508,571 (2013: 274,959) ordinary shares with a nominal value of £50,286 (2013: £9,156) under share option schemes for an aggregate cash consideration of £438,111 (2013: £20,307).

7 RESERVES

Company	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 28 September 2013	6,404	1,492	649	20,359	6,200	107,608	142,712
Loss for the period	–	–	–	–	–	(164)	(164)
Dividend paid to equity shareholders	–	–	–	–	–	(3,175)	(3,175)
Dividends received from Group Companies	–	–	–	–	–	3,950	3,950
Issue of new shares	51	387	–	–	–	–	438
Credit to equity for equity-settled share-based payments	–	–	1,296	–	–	–	1,296
At 27 September 2014	**6,455**	**1,879**	**1,945**	**20,359**	**6,200**	**108,219**	**145,057**

At 27 September 2014, the Directors consider the other reserve of £6,200,000 to remain non-distributable.

The Directors consider £105,106,000 (2013: £105,106,000) of profit and loss account reserves not to be distributable at 27 September 2014. This arose on an unrealised gain on the intragroup disposal of subsidiary companies; an impairment has been recognised against the related intercompany balance in the prior period.

FIVE YEAR RECORD

UNAUDITED

Company	53 weeks ended 2 October 2010 £'000	52 weeks ended 1 October 2011 £'000	52 weeks ended 29 September 2012 £'000	52 weeks ended 28 September 2013 £'000	**52 weeks ended 27 September 2014 £'000**
Group revenue	183,420	175,525	177,693	177,849	**195,237**
Group operating profit	20,899	13,980	15,462	13,845	**18,186**
Profit before taxation	13,397	7,908	12,493	10,601	**16,691**
Shareholders' funds (deficit)	(28,530)	(25,462)	(17,348)	(10,184)	**843**
Basic earnings per share	5.37p	3.04p	5.14p	4.76p	**6.49p**
Dividend per share	–	1.50p	1.10p	1.25p	**1.65p**
Dividend cover	–	1.92	4.68	3.17	**3.94**
Average number of employees	1,615	1,661	1,654	1,720	**1,794**
Share price (period end)	60.0p	34.0p	46.0p	93.0p	**105.0p**

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 22nd January 2015 at 10am for the purpose of considering the following resolutions: resolutions 1 to 10 (inclusive) as ordinary resolutions and resolutions 11 to 15 (inclusive) as special resolutions.

ORDINARY BUSINESS

1. To receive and adopt the Company's Annual Report and Financial Statements for the financial period ended 27 September 2014 together with the last Directors' Report, the last Directors' Remuneration Report and the Auditor's Report on those accounts and the auditable part of the Directors' Remuneration Report.
2. To declare a final dividend of 1.60 pence per Ordinary Share on the Ordinary Shares for the period.
3. To re-elect Matthew Williams as a director of the Company.
4. To re-elect Robert Parker as a director of the Company.
5. To re-elect The Rt. Hon. Michael Jack as a director of the Company.
6. To re-elect Claire Tiney as a director of the Company.
7. To re-elect Andy King as a director of the Company.
8. To reappoint 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.
9. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) for the financial period ended 27 September 2014 as set out on pages 45 to 61 of the Company's Annual Report and Financial Statements for that period.
10. To approve the Directors' Remuneration Policy as set out on pages 46 to 54 of the Company's Annual Report and Financial Statements for the period ended 27 September 2014.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the resolutions set out below, which in the case of Resolution 11 will be proposed as an Ordinary Resolution and in the case of Resolutions 12 to 15 (inclusive) will be proposed as Special Resolutions.

11. THAT, in accordance with section 551 of the Companies Act 2006 ("2006 Act"), the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined in the Notes to this Resolution):

    (a) comprising equity securities (as defined by section 560 of the CA 2006) up to an aggregate nominal amount of £4,260,930 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority in paragraph 11(b) below) in connection with an offer by way of a rights issue:

    i. to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

    ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

    but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

    (b) in any other case, up to an aggregate nominal amount of £2,130,465 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph 11(a) above in excess of £2,130,465), 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, 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.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

12. THAT, subject to the passing of Resolution 11 above, the Directors of the Company be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by Resolution 11 or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities pursuant to a rights issue or similar offer to Ordinary Shareholders where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate or as nearly as practical (and taking into account any prohibitions against or difficulties concerning the making of an offer of allotment to shareholders whose registered address or place of residence is overseas and subject to such exclusions as the Directors of the Company may deem necessary or expedient to deal with fractional entitlement or record dates) to the respective numbers of Ordinary Shares held by them; and

(b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of the greater of £319,570 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 28,858,114 (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 Article 108 of the Company's Articles of Association be deleted and replaced with the following:

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

Directors' fees
The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine not exceeding in aggregate £250,000 per annum (which figure shall be subject to upwards only adjustments in line with any relevant increase in the Index of Retail Prices since the date of adoption of these Articles) or such other sum as the Company in general meeting shall from time to time determine. Such sum (unless otherwise directed by the resolution of the Company by which it is voted) shall be divided among the Directors in such proportions and in such manner as the Board may determine or, in default of such determination, equally (except that in such event any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he holds office). Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day.

And THAT all payments made to Directors by way of fees for their services as Directors (and not exceeding the amounts per annum shown in respect of each Director in the audited accounts of the Company) be ratified, approved and confirmed.

15. THAT a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

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 20 January 2015 or, in the event that the meeting is adjourned, close of business on such date being not more than 2 days prior to the date fixed for the adjourned meeting. Changes to entries in the register of members after 6:00pm on 20 January 2015 or, in the event that the meeting is adjourned, after 2 working days before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member is entitled to appoint one or more persons as proxies to exercise all or any of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A form of proxy is enclosed and notes for completion can be found on the form and should be read carefully before it is completed. To be valid, the form of proxy must be completed, signed and sent to the offices of the Company's registrars, Capita Asset Services, 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 10.00 am on 20 January 2015 (or, in the event that the meeting is adjourned, no later than 2 working days before the time of any adjourned meeting).
3. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. You may photocopy the enclosed proxy form, indicating clearly on each proxy form the name of the proxy you wish to appoint and the number of shares in relation to which the proxy is appointed. All forms must be signed and should be returned together in the same envelope. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. The right of a member under section 324 of the Companies Act 2006 ("2006 Act") to appoint a proxy does not apply to a person nominated to enjoy information rights under section 146 of the 2006 Act.
4. The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes.
5. As at the close of business on the date of this notice, the Company's issued share capital comprised 193,678,616 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 holder purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited (formerly CRESTCo's) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuers' agent (ID RA10) by the latest time for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under section 146 of the 2006 Act ("nominee"):
    (a) the nominee may have a right under an agreement between the nominee and the member by whom he was appointed, to be appointed, or to have someone else appointed, as a proxy for the meeting; or
    (b) if the nominee does not have any such right or does not wish to exercise such right, the nominee may have a right under any such agreement to give instructions to the member as to the exercise of voting rights.
12. Capita Asset Services 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 Asset Services.
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;
    (b) copies of the Directors' service contracts; and
    (c) a copy of the Company's Articles of Association.

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

Stuart Davey
Company Secretary

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 22 January 2015 at 10am.

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

ORDINARY BUSINESS
Resolution 2
Declaration of Final Dividend
A final dividend of 1.60 pence per Ordinary Share is recommended by the Directors for payment to shareholders on the register of members of the Company at 6pm on 29 December 2014. Subject to approval by the Ordinary Shareholders at the Annual General Meeting, the dividend will be paid on 30 January 2015. An interim dividend of 0.65p was declared which means the total dividend level will be 2.25 pence per Ordinary Share for the 52 weeks prior to 27 September 2014.

Resolutions 3 to 7
Re-election of Directors
The Company's articles of association require that all members of the Board of Directors submit themselves for re-election at least every three years with the exception of the Rt. Hon. J.M. Jack who has served for at least nine years and therefore retires and offers himself for re-election annually. Although not required by the Company's articles, each of the remaining directors will, in the interests of good corporate governance, retire voluntarily and offer himself for re-election. Brief biographical details about all the Directors appear on pages 34 and 35 of the Annual Report and Financial Statements.

Resolution 9
Directors' Remuneration Report
Shareholders are asked to approve the Directors' Remuneration Report for the financial period ended 27 September 2014, as set out on pages 45 to 61 of the Company's Annual Report and Financial Statements for the period ended 27 September 2014 (other than the part containing the Directors' Remuneration Policy which is subject to the separate Resolution 10 referred to below). As in previous years, the vote is advisory in nature and does not affect the remuneration of any individual Director.

Resolution 10
Directors' Remuneration Policy
Resolution 10 seeks shareholder approval of the Directors' Remuneration Policy, which is required to be put to a binding shareholder vote at least once every three years. Subject to shareholder approval, the policy, as set out on pages 46 to 54 of the Company's Annual Report and Financial Statements for the period ended 27 September 2014, will be effective from the conclusion of this Annual General Meeting.

SPECIAL BUSINESS
Resolution 11
Authority to issue shares
This resolution deals with the Directors' authority to allot Relevant Securities in accordance with section 551 of the CA 2006.

This resolution complies with guidance issued by the Association of British Insurers (ABI) in December 2008 (and revised in November 2009) and will, if passed, authorise the Directors to allot:

- In relation to a pre-emptive rights issue only, equity securities (as defined by section 560 of the CA 2006) up to a maximum nominal amount of £4,260,930 which represents approximately two thirds of the Company's issued Ordinary Shares (excluding Treasury Shares) as at the date of this notice. This maximum is reduced by the nominal amount of any Relevant Securities allotted under the authority set out in paragraph 11(b).
- In any other case, Relevant Securities up to a maximum nominal amount of £2,130,465 which represents approximately one third of the Company's issued Ordinary Shares (excluding Treasury Shares) as at the date of this notice. This maximum is reduced by the nominal amount of any equity securities allotted under the authority set out in paragraph 11(a) in excess of £2,130,465.

Therefore, the maximum nominal amount of Relevant Securities (including equity securities) which may be allotted under this resolution is £4,260,930.

The Company does not hold any Treasury Shares.

The authority granted by this resolution will expire 15 months following the Resolution being passed or, if earlier, the date of the next Annual General Meeting of the Company.

The Directors have no present intention to exercise this authority.

In this Resolution, Relevant Securities means:

- shares in the Company, other than shares allotted pursuant to:
  - an employee share scheme (as defined in section 1166 of the CA 2006);
  - 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; and
- 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 in section 1166 of the CA 2006). References to the allotment of Relevant Securities in this Resolution include the grant of such rights.

Resolution 12
Disapplication of statutory rights of pre-emption

This proposed resolution seeks to obtain power under section 571 of the 2006 Act to enable the Directors to allot, for cash, shares with an aggregate nominal value of £319,570 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 the 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.

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 2016 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 27 September 2014, there were options to subscribe for 6,338,667 equity shares outstanding under various schemes representing approximately 3.3% 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 3.8% of the issued share capital following the repurchase of shares.

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

Resolution 14
Changing articles of association of the Company – Directors' fees

This resolution is required to change Article 108 of the Company's current Articles of Association which limits payments to each Director for his services as Director to £30,000 per annum (subject to upward only adjustment in line with any percentage increase in the Index of Retail Prices since the date of adoption of the Articles). The figure of £30,000 per Director has not been changed for many years and it is also considered prudent to cap the total amount payable to all the Non-Executive Directors in aggregate. The total cap proposed is £250,000 (adjusted upwards in line with any increase in the Index of Retail Prices since the date of adoption of the Articles). Fees paid to Directors have been included each year in the audited accounts of the Company and are shown in the Company's Annual Report and Financial Statements for the financial period ended 27 September 2014. It is also proposed to approve any payments which have been made to Directors (at the rates shown in the audited accounts of the Company) which exceed £30,000 per annum (as adjusted in line with any percentage increase in the Index of Retail Prices since date of adoption of the Articles).

Resolution 15
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.

THE TEAM

A
Aaron Foster
Aaron Gerfen
Aaron Rivett
Aaron Smith
Abdirahman Ibrahim
Abdul Yasir
Adam Bennett
Adam Cato
Adam Chapman
Adam Clarke
Adam Close
Adam Cook
Adam Crowe
Adam Davidson
Adam Durling
Adam Ekins
Adam Gale
Adam Godfrey
Adam Ireland
Adam Moate
Adam Nuttall
Adam Parsons
Adam Riley
Adam Robinson
Adam Rodriguez
Adam Shearsmith
Adam Urbanczyk
Adam Ward
Adam Williams
Adam Wolniewicz
Adem Ozkaya
Adil Rajah
Adnan Abdullah
Adrian Baker
Adrian Kimber
Adrian Rimmington
Ajay Bhakri
Akiyemi Orekoya
Aklakud Duha
Akshey Vadgama
Alain Bland
Alan Clague
Alan Haji
Alan Hughes
Alan Parker
Alan Saunders
Alan Sinclair
Alan Smalley
Alan Sproston
Alan White
Alan Wrighting
Aled Collier
Aleksandrs Gulenkovs
Alen Sithiravel
Alex Openshaw
Alex Whitmore
Alexander Armstrong
Alexander Esposito
Alexander Findley
Alexander Heskett
Alexander Onions
Alexander Torres
Alexandra Anton
Alexandria Ferguson
Ali Abshir Ibrahim
Ali Rizvi
Alison Hunt
Alison Walkinshaw
Alister Watt
Allan Harper
Alvin Chinyanga
Amanda Green
Amanda Hullett
Amanda Samuel
Amber West
Amit Bhargava
Amy Hiorns
Amy Martin
Amy Smith
Ananthan Sivanesan
Anantharupan Ananthapuvirajah
Andre Oliveira
Andre Osei
Andrea Crooks
Andrea Moon
Andrew Belson
Andrew Brookfield
Andrew Callister
Andrew Canham
Andrew Chapman
Andrew Childs
Andrew Clay
Andrew Clayton
Andrew Collins
Andrew Cox
Andrew Curr
Andrew Curtis
Andrew Davis
Andrew Elliott
Andrew Green
Andrew Hamilton
Andrew Hanson
Andrew Harrison
Andrew Hill
Andrew Huntingford
Andrew Keattch
Andrew King
Andrew Middleton
Andrew Norris
Andrew Page
Andrew Phillips
Andrew Playfoot
Andrew Riley
Andrew Scorgie
Andrew Sharkey
Andrew Shaw
Andrew Smith
Andrew Wagstaff
Andrew Warne
Andrew Waterfield
Andrew Wilkinson
Andrew Winterburn
Andrew Wood
Andrew Woods
Andrew Young
Angela Capp
Angela Toseland
Ann Warren
Anna Forden
Anna Moulding
Anna Wedrzyk
Anna-Marie Tough
Annmarie Malone
Anthony Bradford
Anthony Christopher
Anthony Cox
Anthony Daly
Anthony Davies
Anthony Dedman
Anthony Docherty
Anthony Dolan
Anthony Gibby
Anthony Gilbert
Anthony Gregory
Anthony Havvas
Anthony James
Anthony Linsell
Anthony Molyneux
Anthony Tarr
Antonia Brown
Antonio Perkins
Antony Belham
Anub Varghese
Anuraag Parashar
Anwar Marshall
Arisha Khullar
Arnold Jones
Aron Hoff
Arron Turner
Arthur Van Aswegen
Ashleigh Mackinnon
Ashleigh Richards
Ashley Cutler
Ashley Martin
Asteraya Engdayehu
Astone Davids
Atul Patel
Augustus Hagan

B
Barbara Connor
Barbara Smith
Barclay Harding
Barri Barnes
Barrie Palmer
Barry Beaver
Barry Edwards
Barry Hodges
Barry Jones
Barry Taylor
Barry Theobald
Barry Thomas
Barry Veasey
Barry Webber
Ben Armitage
Ben Bright
Ben Brooker
Ben Cook
Ben Holloway
Ben Howard
Ben Jezzard
Ben Moore
Ben Sawyer
Ben Tallis
Benjamin Goodey
Benjamin Hardie
Benjamin Lawson
Benjamin Moughan
Benjamin Rich
Benjamin Rowe
Benjamin Willis
Benjamin Woollins
Berek K-Caeser
Bernadette Peasland
Beth Crozier
Bilal Rafiq
Billy Hutchins
Billy Lodge
Bjorn Bjergfelt
Bolaji Adeyanju
Brad Squires
Bradley Collins
Bradley Moore
Brandon Abels
Brandon Sykes
Brant Wells
Bregetta Hill
Brendan Flynn

THE TEAM
CONTINUED

Brett Goulden
Brian Cariello
Brian Cook
Brian Cooper
Brian Cox
Brian Crews
Brian Flatters
Brian King
Brian Linnington
Brian Lockart
Brian Nelson
Bridget Mappley
Briony King
Bruce Fielding
Bruce Garrod
Bruno Bernasconi
Bryan Torres Teran
Byron Tree

C

Cade Somerville
Calbert Hall
Campbell Marr
Cane Langton
Cara Salt
Carl Courtney
Carl Cumberbatch
Carl Foster
Carl Fraser
Carl Hermitt
Carl Whatley
Carley Brown
Carlos Alford Maestre
Carlos Chowdhury
Carly Porter
Carol English
Caroline Bailey
Caroline Bennett
Caroline May
Caroline Vernon-Sutton
Carolyn Paull
Catherine Platt
Catherine Smith
Catrin Anthony-Evans
Chamyse Morley
Charlene Walpole
Charles Robbins
Charles Smith
Charles Taylor
Charlie Clarke
Charlie Hamblin
Charlie Pelchat
Charlie Pidgley
Charlotte Brooks
Charlotte Driscoll
Charlotte Lammin
Charlotte Lamming
Chelsea Crichton
Chelsea Dale
Cherie Ahmet
Cheryl Vearncombe
Chetna Shah
Chirag Shah
Chloe Singleton
Choudre Grobler
Chris Guthridge
Christian Banham
Christine Hendry
Christine Taylor
Christine Thistlethwaite
Christopher Beeson
Christopher Bland
Christopher Bowden
Christopher Bowles
Christopher Brereton
Christopher Busari
Christopher Butler
Christopher Cartey
Christopher Coles
Christopher Collins
Christopher Cooper
Christopher Curtis
Christopher Cutts
Christopher Foster
Christopher Green
Christopher Harbutt
Christopher Heyes
Christopher Holland
Christopher Howe
Christopher Jensen
Christopher Joynes
Christopher Lamb
Christopher Leach
Christopher Marshall
Christopher Nicholls
Christopher Nixon
Christopher Nottle
Christopher Perry
Christopher Potter
Christopher Sansby
Christopher Santos
Christopher Simpson
Christopher Turley
Christopher Walley
Christopher Wells
Christopher White
Christopher Williamson
Chudhry Ghani
Cihan Bas
Clair Jeffries
Claire Chaffe
Claire Rayton
Claire Tiney
Clare Barden
Clare Bytheway
Colin Clarke
Colin Dickson
Colin Gascoigne
Colin Griffiths
Colin Harvey
Colin Hayward
Colin Hoban
Colin Joy
Colin Markham
Colin Rymer
Colin Skinner
Colin Taylor
Collin Louis
Collins Nwokike
Connor Bellhouse
Connor Fitzsimons
Connor Saunders
Conrad Harrup
Cora Morrison
Corrie-Leigh Goodhew
Corrina Bowers
Cory Handford
Craig Connor
Craig Dolling
Craig Murphy
Craig Reed
Craig Smith
Craig Tetlow
Cristina Cole
Czeslaw Majorek

D

Daisy Utley
Dale Benford
Daljit Dhami
Damian Harrison
Damontre Love
Daniel Bevan
Daniel Brain
Daniel Cox
Daniel Evans
Daniel Fallows
Daniel Findlay
Daniel Friend
Daniel Grainger
Daniel Hagon
Daniel Ingham
Daniel Jones
Daniel Little
Daniel Loft
Daniel McLean
Daniel Musguin
Daniel Neary
Daniel Paul
Daniel Philpott
Daniel Robinson
Daniel Saltmarsh
Daniel Sheppard-Brown
Daniel Thompson
Daniel Thornley
Daniel Wadhams
Daniel Willows
Daniel Wren
Daniel Wright
Danielle Anthony
Danielle Kirby
Danielle Noyes
Danielle Omara
Danielle Whittaker
Danny Burgess
Danny Zulu
Darran Wood
Darren Bebbington
Darren Bentley
Darren Bradley
Darren Chester
Darren Doughty
Darren Hancock
Darren Harper
Darren Mencarini
Darren Mitchell
Darren Morgan
Darren Murray
Darren Rawlings
Darren Read
Darren Square
Darren Wagg
Darren Weedon
Darron Bicknell
Darron Kerr
Darryl Ferry
David Atherton
David Augustus
David Beasley
David Blades
David Bolingbroke
David Brooks
David Burnikell
David Carpenter
David Clare
David Coupland
David Critchlow
David Elliott
David Fletcher
David Godbold

David Green
David Harper
David Hatton
David Hayers
David Henderson
David Hill
David Hirst
David Hope
David Hussey
David Jobling
David Jones
David Kershaw
David Kettlewell
David Knight
David Lane
David Locke
David Longman
David Macartney
David Marsh
David Matthews
David Medlam
David Meers
David Miller
David Murray
David Nichol
David Oliver
David Palmer
David Plant
David Prime
David Rendall
David Rogerson
David Savage
David Sheehy
David Shewan
David Simms
David Simons
David Sinclair
David Smith
David Steel
David Stott
David Tempest
David Thomasson
David Thompson
David Townsley
David Webb
David Whitelaw
David Wilson
David Yallop
David-James Norton
Dawn Allan
Dawn Gale Curtis
Dean Bull
Dean Harper
Dean Johnson
Dean Kilbryde
Dean Marshall
Dean Miller
Dean Newell
Dean Smith-Crome
Dean Titchen
Dean Woolley
Deana Turner
Deborah Gobey
Deborah Rooney
Decland Speede
Delreena Richardson
Demi-Louise Skinner
Denis Ahmet
Denis O'Brien
Denise Fishwick
Denise Johnson
Dennis Jovellanos
Dennis Lammas
Dennis Rawding
Denzil Johns
Derek Amoo
Derek Sim
Dermott Reilly
Devias Gudka
Devindren Govender
Dewi Evans
Dharmesh Champaneri
Dilawar Ali
Dilip Parmar
Dinesh Amin
Dipal Parikh
Divyeshkumar Javiya
Dominic D'Souza
Dominic Gray
Dominic Hall
Dominic Reilly
Dominic Summers
Dominic Vass
Donald Magullian
Donald Nyoni
Donna Douglas
Donovan Robinson
Dorothy Stewart
Douglas Bingham
Douglas Nicol
Duncan Foy
Duncan Fraser
Duncan Mayman
Dylan Roberts

E

Eamonn Clancy
Edgars Lesinskis
Edward Murphy
Edward Spink
Eilidh Dempster
Elizabeth Harbord
Elizabeth Harrison
Ellie Howcroft
Emily Lenton
Emily Mansell
Emma Childs
Emma Dudley
Emma Hatton
Emma Whatson
Emmanuel Liwao
Emran Mannan
Emre Caran
Enes Ay
Entiliano Marku
Eric Asuming
Ermiyas Girma
Estella Walker
Evalds Lossevics
Ewa Lukaszewska
Ezra Evans

F

Faisal Ashraf
Faisle Sharif
Faizar Ali
Felipe West
Fiona Grant
Fiona Stewart
Fitz Martin
Fizan Rajah
Frances Aylward
Francesca Wright
Frank Hibbert

G

Gabriel Bagala
Gabriella Carvalho
Gage Wheeldon
Gail Purves
Gareth Carnegie
Gareth Carruthers
Gareth Davies
Gareth Meakings
Gareth Moss
Gareth Pye
Gareth Williams
Garry Case
Garry Hardy
Gary Allum
Gary Ashdown
Gary Bloomfield
Gary Curtis
Gary Gear
Gary Gee
Gary Gledhill
Gary Hawrylak
Gary Marsden
Gary Marshall
Gary Nash
Gary Roberts
Gary Thatcher
Gary Woolmore
Gavin Bennett
Gavin Collins
Gavin Magwood
Gavin Meek
Gavin Mitchell
Gemma Drummond
Gemma Stephens
Geoffrey Greenwood
George Birkley
George Burns
George Hawkes
George Latham
George Martinesz
George Peck
George Tuplin
Georgia Gilbert
Geraint Thorne
Gerard Mallon
Gethin Jordan
Gianfranco Zanolini
Gillian Grace
Glen Holloway
Glendale Canoville
Glenn Claridge
Glenn Elgy
Glyn Rogers
Gordon Davies
Gordon Vallente
Goutam Saha
Graeme Inchley
Graham Beaney
Graham Cooper
Graham Foster
Graham Jones
Graham Livingstone
Graham Vance
Grant Harris
Grant Spicer
Greg Lloyd
Gregory Barwick
Gregory McHugh
Grenville Davies
Grzegorz Kaminski
Gurinder Chana
Guy Neves

THE TEAM
CONTINUED

H
Hannah Carter
Hardeep Samra
Harlukhbir Sangha
Harmeet Jassal
Harriet Goodacre
Harry Biggs
Harry Brazier
Hassan Rajah
Hazel Millington
Heather Findler
Heather-Marie Cooper
Heidi McGonigle
Helen Gosling
Helen Hughes
Henry Smith
Himesh Hirani
Hitesh Nathu
Holly Baxter
Holly Nettleton
Hugh Selley

I
Iain Arnott
Ian Aikman
Ian Bird
Ian Bloomfield
Ian Caley
Ian Costen
Ian Hughes
Ian Jones
Ian Marshall
Ian McLoughlin
Ian McNeish
Ian Noon
Ian Paterson
Ian Sykes
Ian Tivendale
Ibrahim Ali
Ibrar Ahmed
Imran Ashraf
Irene Dickinson
Ivan Paitoo
Iyuthanraj Ratnam

J
Jaasir Wazir
Jacek Zebrowski
Jack Cairns
Jack Campany
Jack Coker
Jack Cunningham
Jack Finlay
Jack Fry
Jack Maddison
Jack O'Neill
Jack Walker
Jack Whitehead
Jacob Coleman
Jacqueline Byrne
Jacqueline Desborough-Morehead
Jacqueline Farnan
Jailuene Peake
Jaime Bugg
Jajwinder Harar
Jake Missen
Jake Shopland
Jake Woods
James Bayley
James Biesty
James Bradbury
James Butler
James Cameron
James Clifford
James Cooney
James Faulkner
James Fox
James Heard
James Holt
James Hubball
James Judkins
James Lindsay
James McGeoch
James Morgan
James Pascoe
James Patston
James Pearson
James Pilfold
James Robertson
James Rolfe
James Saunders
James Taylor
James Tuvey
James Vander Plank
James Walker
James Worden
Jamie Axten
Jamie Evans
Jamie Jenkinson
Jamie Rose
Jamie Sia
Jamie Wenborn
Jan Reddi
Jane Harrison
Janet Riley
Janice Millett
Jarreth Hawkins
Jason Barker
Jason Buckley
Jason Clare
Jason Coupland
Jason Darcy
Jason Ealden
Jason Gallagher
Jason Knox
Jason Meadows
Jason Pratt
Jason Rose
Jason Thomas
Javeed Parkar
Jay Cinense
Jay Strawford
Jayandrie Chetty
Jayaprakash Paragjee
Jaykumar Kulasegarampillai
Jaymal Arjan
Jeannette Hastie
Jedrzej Politowski
Jeffrey Armstrong
Jemma Jordan
Jemma Wyatt
Jenna Sysum
Jennifer Seabrook
Jennifer Wall
Jennifer Yates
Jenny Inkson
Jessica Cokeley
Jessica Lennard
Jessica McCarthy
Jessica Rowlands
Jigna Naran Lalji
Jill Cox
Joanna Herbert
Joanna Jones
Joanna Terrell
Joanne Cox
Joanne Elton
Jodie Jones
Joe Lamond
Joe Smith
John Bourke
John Cook
John Cooper
John Duffy
John Ellis
John Fawkes
John Forden
John Gardner
John Harris
John Harrison
John Hesp
John Hickey
John Hughes
John Keouski
John Marris
John Mason
John McLaren
John Moat
John Murphy
John Page
John Shaw
John Smith
John Tait
John Taylor
John Thompson
John-Paul Jones
Johnathan McCallum
Jon Reynolds
Jon Thatcher
Jon-Paul Hughes
Jon-Paul Russell
Jonathan Bainbridge-Coombs
Jonathan Boxall
Jonathan Francois
Jonathan Hall
Jonathan Hargreaves
Jonathan Morgan
Jonathan Pringle
Jonathan Samuel
Jonathan Sheerin
Jonathan Smith
Jonathan Stone
Jonathan Wallace
Jonathan Williams
Jonathan Woodroff
Jordan Gibbins
Jordan Leadbitter
Jordan Macdonald
Joseph Cox
Joseph Gregorace
Joseph Lewis
Joseph Rudd
Joseph Sweeney
Joshua Batterham
Joshua Braddish
Joshua Darby
Joshua Groener
Joshua Harris
Joshua Lambert
Joshua Rapley
Joshua Robinson
Joshua Wright
Juginder Gill
Julia Kerr
Julian Myles
Julie Brachtvogel
Julie Cox
Julie Fewings

Julie Jordan
Juliet Wilford
Justin Bradley
Justin Evans
Justin Korankye-Addai
Justin Marlow
Justin Morgan
Juttinder Digpal

K

Kalpeshkumar Patel
Kamil Janas
Kamlesh Shah
Kamran Hussain
Karen Brook
Karen Dodds
Karen Leimetter
Karen Sutcliffe
Karl Aran
Karl Batterham
Karl Haines
Karl Stephens
Karl Turner-Talmage
Karl Verry
Karol Pryba
Kashan Riley
Katarzyna Roberts
Kate O'Connor
Katherine Davis
Kathryn Baird
Kathryn Pell
Kathryn Robinson
Katie Brindley
Kawaljit Gulati
Kaylo Neilson
Keith Ambrose
Keith Earl
Keith Fitzpatrick
Keith Johnson
Keith Rudkin
Keith Storrier
Kelly Hackman
Kelly Hutchins
Kelly Savile
Kelly-Anne O'Connor
Kelvin Lansdowne
Kenneth Owen
Kenneth Pettengale
Kenneth Westley
Kenneth Williams
Kerri Atkinson
Kerry Hume
Kevan Richardson
Kevin Atherton
Kevin Baker
Kevin Bowtle
Kevin Fox
Kevin Hailes
Kevin Hardy
Kevin Hartley
Kevin Hodson
Kevin Jeans
Kevin Jones
Kevin Moke
Kevin Nicol
Kevin Rowe
Kevin Schofield
Kevin Thorne
Kieran Barnes-Warden
Kieran Fleet
Kieron Clarke
Kim Liddle
Kimberley Topham
Kirandeep Kaur
Kirsten Cummings
Kirstie Leonard
Kirstie McDowell
Kirsty Oldfield
Kirti Patel
Kristian Catterall
Kristian Powell
Kristopher Bailey
Kristopher Brough
Krystle Milan
Kuljit Aujla
Kunal Pandya
Kyle Francis
Kyle Hardie

L

Lance Cale
Lance Penez
Laura Adams
Laura Edwards
Laura Henry
Laura Jacques
Laura James
Laura Johnson
Laura Morris
Laura Racey
Laura Richards
Lauren Bettison
Laurence Jones
Laurence Pendrill
Layla Hawkes
Leah Norris
Leanne Curry
Leanne Palmer
Lee Adam
Lee Andrews
Lee Baxter
Lee Carlos
Lee Cash
Lee Clarke
Lee Dering
Lee Dover
Lee Etheridge
Lee Galloway
Lee Gibson
Lee Hutchinson
Lee Jacovou
Lee James
Lee Johnstone
Lee Jones
Lee Mayfield
Lee McConnell
Lee Morris
Lee Page
Lee Pinder
Lee Read
Lee Roskruge
Lee West
Lee Wilkinson
Leigh Hyam
Leighton Davies
Leon O'Neill
Leon Pryce
Leonard Finch
Leonora Moses
Leroy Williams
Lesley Watson
Lesley Willcox
Lesley Wilson
Leslie Shemmeld
Levi Jordan Welch
Lewis Adkins
Lewis Axford
Lewis Collins
Lewis Franklin
Lewis Hall
Lewis Morgan
Lewis Saunders
Lewis Walter
Leyton Bellamy
Leza McDonald
Liam Allen
Liam Bantin
Liam Breaker
Liam Cowan-Fields
Liam Farnes
Liam Hogan
Liam Hubbard
Liam Hunt
Liam Moore
Liam Piper
Lianne Harrison-Allcock
Libby Field
Linda Herbert
Linda Scott
Lisa Algar
Lisa Batty
Lisa Cullen
Lisa Holmes
Lloyd Jackson
Loucas Louca
Louis Whittle
Louise Sprigg
Louise Wilson
Lucinda Mazzei
Lucy McGennity-Bane
Lukasz Stepczak
Luke Cameron
Luke Cumbers
Luke Day
Luke Evans
Luke Kerr
Luke Livermore
Luke McNally
Luke Patel
Luke Potiphar
Luke Sargent
Luke Saunders
Luke Tilley
Luke Woodward
Lynette Levi
Lynn Pearson
Lynsey Stuchbury

M

Maciej Rabczewski
Mahesh Wara
Mahomadzuber Saiyed
Malcolm Ferguson
Malcolm Temple
Malik Khaliq
Mandeep Singh
Mandy Aidney
Manjit Aluwahlia
Mansoor Ali
Marc Breeze
Marc Rudge
Marc Thornton
Marcin Kupczyk
Marcin Malinowski
Marcin Sakowicz
Marcin Senkowski
Marek Kloda
Margaret Lawrie
Margaret Potter
Margarita Badia Planas

THE TEAM
CONTINUED

Maria Furniss
Maria Thompson
Marie Adams
Mark Allenden
Mark Allman
Mark Ames
Mark Barrett
Mark Bianchi
Mark Braithwaite
Mark Brown
Mark Burgess
Mark Coe
Mark Discombe
Mark Finucane
Mark Frisby
Mark Fuller
Mark Gasson
Mark Geary
Mark Holland
Mark Hunter
Mark Johnson
Mark Johnston
Mark Keymer
Mark Lever
Mark Maciver
Mark Mott
Mark Owen
Mark Palmer
Mark Pancott
Mark Stephens
Mark Stokoe
Mark Stone
Mark Sweet
Mark Tennant
Mark Terry
Mark Thompson
Mark Tilley
Mark Vaughan
Mark Waldock
Mark Walters
Mark Winder
Mark Winger
Mark Wright
Mark Wylie
Marlon Barnes
Marta Otazu
Martin Belford
Martin Derricott
Martin Evans
Martin Foster
Martin Morris
Martin Osborne
Martin Pickard
Martin Sloggett
Martin Smyth
Martin Williams
Martin Winterburn
Martin Wys
Martina Way
Martyn Costen
Martyn Somerville
Martyn Spring
Martyn Strange
Mathew Lampard
Mathew Tapp
Matthew Antell
Matthew Attwood
Matthew Britton
Matthew Byfield
Matthew Clayton
Matthew Copestake
Matthew Dunne
Matthew Fisher
Matthew Foster
Matthew Foulger
Matthew Fowler
Matthew Harris
Matthew Hawley
Matthew Hay
Matthew Jones
Matthew King
Matthew Love
Matthew Martin
Matthew McPhee
Matthew Moore
Matthew Nash
Matthew Richardson
Matthew Robinson
Matthew Sigley
Matthew Sims
Matthew Singleton
Matthew Stevenson
Matthew Warne
Matthew Wesson
Matthew Whitlock
Matthew Williams
Matthew Woodhouse
Matthew Wright
Max Whitfield
Maxine Spruce
Megan Broadway
Megan McKeown
Mehmet Asdoyuran
Melanie Gray
Melanie Lilley
Melanie Toole
Melissa Robinson
Melissa Wadman
Melton Thompson
Melvyn Chamberlain
Mervyn Thorne
Metimiku Yohannes
Michael Asumadu
Michael Blinkhorne
Michael Booth
Michael Boughton
Michael Bowden
Michael Buckley
Michael Campbell
Michael Cosgrove
Michael Darroch
Michael Dinter
Michael Earls
Michael Edwards
Michael Fannon
Michael Finn
Michael Foley
Michael Griffiths
Michael Haggett
Michael Hall
Michael Hawkins
Michael Hopper
Michael Huskisson
Michael Jack
Michael Jenks
Michael King
Michael Lauman
Michael Lay
Michael Litster
Michael Lovelock
Michael Moss
Michael Queen
Michael Quinn
Michael Sackey
Michael Stewart
Michael Upton
Michael Van Sittert
Michael Weeks
Michaela Thomas
Michaella Watson
Michal Politowski
Michal Skiba
Micheal Devonish
Michele Trickett
Michelle Furber
Michelle Hill
Michelle Kempson
Michelle le Monnier
Michelle Moore
Mick Wells
Miles Burden
Misha Harji
Mitchell Williams
Mitul Patel
Mohamed Mufallal
Mohamed Patel
Mohammad Mukhtar
Mohammed Amin
Mohammed Jamil
Mohammed Jimale
Mohammed Khalid
Mohammed Memi
Mohammed Parvaz
Morva Leslie
Mr Topps (retired)
Mubashir Uddin
Muhammad Khan
Muhammad Mirza
Murat Macit
Murdo Martin
Mustafa Khan

N

Naomi Mayers
Narinder Chatha
Natalie Boyd
Natalie Frankum
Natalie McCuaig-Finlay
Natalie Palumbo
Natalie Steeden
Natasha Browne
Nathan Austin
Nathan Coulthard
Nathan Harry
Nathan Pickett
Nathan Sobers
Nathan Wilson
Nathan Winterton
Nathan Wolowicz
Nauris Vinkelis
Navesh Naidoo
Ndumiso Mafa
Neil Ammon
Neil Brownley
Neil Donkin
Neil Hendy
Neil Homan
Neil Jones
Neil Roessner
Neil Southgate
Neil Topping
Neil Wardlaw
Neil Williams
Nicholas Billyeald
Nicholas Callister
Nicholas Donkin
Nicholas Gadd
Nicholas Gussow
Nicholas Harden
Nicholas Houghton

Nicholas Knowles
Nicholas Lodge
Nicholas Stone
Nicholas Walch
Nicholas Withers
Nicholaus Buchanan
Nick Wardman
Nicky Glenister
Nicola Dickson
Nicola McWatt
Nicola Squires
Nicole Andrews
Nigel Fleming
Nigel Hickman
Nikkole Jury
Nikunjkumar Patel
Niroshan Pathmajothy
Numan Usman

O

Oktay Gaygusuz
Oliver Clancy
Oliver Haghighi
Oliver Mascarenhas
Olivia Harte
Olivia Pilson-Wood
Omid Ibrahimi
Osemua Masaya
Owen Sadler
Owen Tudor
Ozan Kaya

P

Paige Makepeace
Pankaj Bhardwaj
Paolo Segagni
Patricia Duncan
Patrick Coleman
Paul Baxter
Paul Burkett
Paul Burrow
Paul Carter
Paul Cartledge
Paul Chapman
Paul Clark
Paul Collett
Paul Cowen
Paul Cull
Paul Dalby
Paul Davey
Paul Elliott
Paul Galvin
Paul Grant
Paul Hargreaves
Paul Hesketh
Paul Holmes
Paul Hutchins
Paul Irving
Paul Kelly
Paul Laverty
Paul Lester
Paul Logue
Paul McCabe
Paul Miller
Paul Mills
Paul Nicholls
Paul Noyes
Paul Ridding
Paul Ruddle
Paul Semple
Paul Silvester
Paul Smith
Paul Starkey
Paul Tennant
Paul Tregaskis
Paul West
Paul Whittington
Paul Whitworth
Paul Wiltshaw
Paula Budsworth
Pauline Harrison
Pawel Warych
Penny Davis
Pete Bauer
Peter Anderson
Peter Barretto
Peter Callan
Peter Charters
Peter Goulding
Peter Hanley
Peter Higgins
Peter Hogg
Peter Simmonds
Peter Sincock
Peter Stubbs
Peter Turtle
Peter Walmsley
Peter Wiles
Peter Young
Philip Banks
Philip Cranston
Philip D'Souza
Philip Dunn
Philip Faulkner
Philip Gallop
Philip Jones
Philip Kelly
Philip McCarney
Philip Stocks
Phillip Goode
Phillip Goodeve
Phillip Gundel
Phillip Hawkeswood
Phillip Hunt
Phillip Walters
Phillipa Hewitt
Phoebe Webb
Poonam Patel
Portia Boehmer
Pritesh Bhatt

Q

Quadeer Ahmed
Quang Pham

R

Rachel Cartmell
Rachel Fellows
Rachit Vadgama
Rae Williams
Rafal Szlachetka
Rafal Wojtasik
Raj Surani
Rajiv Vadgama
Ramanjeet Narain
Ravendra Bishun
Ravikumar Patel
Raymond Johnson
Rea Tarran
Reagen Wishart
Rebecca Butler
Rebecca Julier-Goodwin
Rebecca Mills
Rebecca Oblein
Reece Cole
Reece Morgan
Rhys Bennett
Rhys Bird
Rhys Hedges
Rhys Kelland
Ricardo Malcolm
Richard Bickers
Richard Bourne
Richard Brooks
Richard Carter
Richard Clark
Richard Davies
Richard Edwards
Richard Fagan
Richard Geare
Richard Harris
Richard Hickman
Richard Hopkin
Richard Lewington
Richard McCracken
Richard Oldale
Richard Slack
Richard Small
Richard Sumner
Richard Westell
Richard Zapanta
Richie Bolgiani
Rickie Byrne
Ricky Bishop
Ricky Lovell
Ricky Smith
Robbie Perry
Robel Ghebrewold
Robert Adams
Robert Adkins
Robert Allman
Robert Ballantyne
Robert Beard
Robert Chawner
Robert Clark
Robert Clarke
Robert Collins
Robert Exley
Robert Gedlek
Robert George
Robert Howker
Robert Jay
Robert Jones
Robert Keohone
Robert King
Robert Knight
Robert Kreamer
Robert Kweli
Robert Lyus
Robert McGowan
Robert Moss
Robert Myers
Rob Parker
Robert Prince
Robin Auld
Robin Perrin
Robin Stagg
Robin Thomson
Rodney Meyer
Rodyvik Chineah
Roger Gridley
Roger Lazenby
Ronald Woolgar
Rory Reeves
Roshea Boothe
Ross Ashbrook
Ross Copley
Ross Dyson
Ross Godwin
Ross Langford
Ross Matthews
Roxanne Evans

THE TEAM
CONTINUED

Roy Redgate
Ryan Apark
Ryan Coleman
Ryan Curd
Ryan Gomersall
Ryan Jackson
Ryan Jones
Ryan Kale
Ryan Lawrence-Cokayne
Ryan Randall
Ryan Ruffle
Ryan Sinclair

S

Salman Bawani
Sam Davis
Sam Nortey
Sam Orton
Samantha Creary
Samantha Cunnington
Samantha Gray
Samantha Leavis
Samantha Makrygiannis
Samantha Ralph
Samantha Sumbler
Sameer Jamdar
Samson Okolosi
Samuel Carey
Samuel Heath
Samuel Kirk
Samuel Knowles
Samuel Lenny
Samuel Robinson
Sandra Ramsay
Sanjeev Pal
Saqib Munir
Sarah Bacon
Sarah Blakely
Sarah Cassam
Sarah Dobson
Sarah Drake
Sarah Harrup
Sarah Jordan
Sarah Kite
Sarah Mclure
Sarah Newcomb
Satinder Nandhra
Savio Coutinho
Scott Ahmad
Scott Birdseye
Scott Bond
Scott Bunting
Scott Currie
Scott Goodway
Scott Meadows
Scott Pattison
Scott Summers
Scott Thirlaway
Scott Williams
Sean Cahill
Sean Collins
Sean Dare
Sean Gee
Sean King
Sean McLean
Sean Tagney
Sean Taylor
Sean Tugman
Sean Weatherby
Seyoum Kelly
Shafeek Mohamed
Shahid Mahmood
Shana Esworthy
Shane Bryan
Shane Daley
Shane England
Shane Lindsay
Shane Malone
Shane Till
Shannon Bentley
Shannon Woods
Sharif Islam
Sharon Beckett
Sharon Buckley
Sharon Papantoniou-Barrett
Sharon Simmonds
Shaun Dodson
Shaun Harwood
Shaun Mayes
Shaun Pawsey
Shaun Scanlon
Shaun Scott
Shaynah Gandhi
Shelley Carey
Shelley Rutter
Shiraz Mahmood
Shirley Moore
Shrina Shah
Shyam Pankhania
Sian Austen
Silvi Atanasova
Silvonne McLean
Simon Beare
Simon Bodell
Simon Brookfield
Simon Chappell
Simon Coombs
Simon Frew
Simon Green
Simon Grimmett
Simon Jackson
Simon Jones
Simon Lasham
Simon Leslie
Simon Lewis
Simon Loach
Simon Marks
Simon Morgan
Simon Neal
Simon Partridge
Simon Pitt
Simon Roberts
Simon Webb
Simon Witham
Siobhan Ashman
Siobhan O'Sullivan
Sophia Miller
Sophie Doggart
Sophie Pritchard
Stephan Koranteng
Stephanie Ailwood
Stephanie Hogg
Stephanie Nevett
Stephen Adams
Stephen Anthony
Stephen Bloomfield
Stephen Brown
Stephen Carr
Stephen Collins
Stephen Corkett
Stephen Foote
Stephen France
Stephen Freeman
Stephen Gaylor
Stephen Green
Stephen Hall
Stephen Iwasyszyn
Stephen Kelly
Stephen Lewis
Stephen Lopes
Stephen Machin
Stephen Maidment
Stephen Marshall
Stephen Morris
Stephen Seymour
Stephen Smith
Stephen Spurgeon
Stephen Starkie
Stephen Taylor
Stephen Welsby
Stephen West
Steve Woods
Steven Birch
Steven Bristow
Steven Cobern-Burke
Steven Dooley
Steven Dyer
Steven Godwin
Steven Harris
Steven Higgins
Steven Howells
Steven Ives
Steven Jenkins
Steven Kernot
Steven Larner
Steven Macarthur
Steven Moxom
Steven Presley
Steven Raymond-Walker
Steven Richards
Steven Walker
Steven Whitehead
Steven Wood
Stuart Baigent
Stuart Barrett
Stuart Clarke
Stuart Corlett
Stuart Cryans
Stuart Davey
Stuart Dixon
Stuart Fletcher
Stuart Harris
Stuart Hitch
Stuart James
Stuart Langford
Stuart Munton
Stuart Pemberton
Stuart Rees
Stuart Ross
Stuart Smith
Stuart Whitby
Stuart Williams
Sukhdev Singh
Surmukh Jandu
Susan Attwell
Susan Bill
Susan Black
Susan Henshall
Susan Hulme
Susan Law
Susan Shields
Suventhiran Shanmugarajah

T

Tahmid Islam
Tami Robinson
Tammie Spencer
Tanya Sharpe
Tauseef Usman
Terence Dooley

Teresa Allen
Terry Salisbury
Tevyn Mathurin
Theruchenthuran Erathinasingam
Thomas Alvey
Thomas Brien
Thomas Britten
Thomas Crawford
Thomas Cunningham
Thomas Dickson
Thomas Evans
Thomas Lewis
Thomas Lowe
Thomas Mackey
Thomas Mills
Thomas Moran
Thomas Murray
Thomas Newman
Thomas Otley
Thomas Parkes
Thomas Ross
Thomas Ryan
Thomas Seaden
Thomas Swain
Thomas Utting
Thomas Wade
Thomas Whitlock
Tiffany Vockins
Tim Chatfield
Timea Szabo
Timmy Sandwell
Timothy Bentley
Timothy Bird
Timothy Boardman
Timothy Coupland
Timothy Hartwick
Timothy Stanhope
Timothy Tatlock
Timothy Tuff
Tobias Knox
Toby Bayley
Toby Collins
Todd Routledge
Tom Mason
Toni Thompson
Tracey Hansard
Tracy Wearmouth
Tracy Wickenden
Trashgim Syla
Trevor Routley
Trevor Thomas
Tyrell Beckham
Tyrone Gambrell

U
Umair Qureshi
Useni Feno

V
Vasiqa Farooq
Veronica Evett
Victoria Carrington
Victoria Moore
Vikesh Umeria
Vikki Williams
Vilius Meilus
Vincent Barber
Vinod Joshi

W
Warren Bester
Wayne Farini
Wayne Randall
Wayne Reed
Wayne Wheeler
Wei Mean Donlan
Wendy Bruce
Wesley Neukermans
Will Carter
William Bailey
William Barreda
William Fraser
William Gunshon
William Lewinton
William McPhee
William Ralls
William Short
William Wylie
Wojciech Wiatrowski

Y
Yohannes Getachew
Yvonne Burgess

Z
Zack Shine
Zahid Akhter
Zahid Hossain
Zainab Idris
Zlatko Milovanovic
Zoe Atkinson
Zydrunas Slazikas

STORE LOCATIONS

LONDON

Chesham
Chingford
Colindale
Golders Green
Harrow
Hayes
Highgate
Maida Vale
New Southgate
New Southgate TC
North Finchley
Park Royal
Ruislip
Southall
Staples Corner
Uxbridge
Wembley
Willesden
Barking
Beckton
Catford
Charlton
Dagenham
Dartford
Eltham
Forest Hill
Ilford
Ilford Seven Kings
Mile End
Old Kent Road
Romford
Shoreditch
Stamford Hill
Wapping
Acton
Battersea
Brentford
Cheam
East Sheen
Feltham
Fulham
Gunnersbury
Hounslow
Penge
Raynes Park
Streatham
Surbiton
Twickenham
Vauxhall
Wandsworth
Wimbledon
Borehamwood
Enfield
Hemel Hempstead
St Albans
Waltham Cross
Beckenham
Bromley Common
Croydon (Purley)
Croydon (Thornton)
Orpington
Orpington TC
West Wickham
Clapham
Islington
Walton on Thames
Bayswater Boutique
Wimbledon Boutique

MIDLANDS

Barnsley
Doncaster
Doncaster Sprotborough
Grimsby
Hull
Hull TC
Rotherham
Sheffield Meadowhall
Worksop
Newcastle-Under-Lyme
Northwich
Boston
Chesterfield
Derby (Meteor)
Derby (Osmaston)
Grantham
Lincoln (Outer Circle)
Lincoln (St Marks)
Long Eaton
Mansfield
Newark
Nottingham (Castle Park)
Nottingham Lady Bay
Spalding
Binley
Coventry
Enderby
Erdington
Kettering Baron
Kings Heath
Leicester
Loughborough
Nuneaton
Rugby
Sheldon
Solihull
Stratford
Burton on Trent
Cannock
Congleton
Crewe
Fenton
Great Barr
Kidderminster
Lichfield
Nantwich
Redditch
Shrewsbury
Stoke On Trent TC
Tamworth
Telford
West Bromwich
Wolverhampton
Wolverhampton TC

NORTH

Carlisle
Penrith
Workington
Darlington
Durham Dragonville
Gateshead
Harrogate
Northallerton
Scarborough
Sheffield Penistone Road
Sunderland
Stockton
Tyneside
York
York Clifton Moor
Aintree
Anfield
Barrow
Birkenhead
Blackburn
Blackpool Marton
Bolton
Chester
Chorley
Cleveleys
Morecambe
Ormskirk
Preston
St Helens
Warrington
Widnes
Wigan
Wigan TC
Bradford
Cheadle
Cheetham Hill
Failsworth
Huddersfield
Hyde
Leeds
Macclesfield
Oldham
Pontefract
Sale
Salford
Snipe (Audenshaw)
Stockport
Stockport TC
Wakefield
Bury

SCOTLAND AND NORTHERN IRELAND

Aberdeen (Bridge of Don)
Aberdeen (Wellington)
Ayr
Belfast Newtonabbey
Dumfries
Dundee
Edinburgh (Fort Kinnaird)
Edinburgh (Seafield)
Belfast Boucher Road
Elgin
Glasgow
Govan
Greenock
Hillington
Inverness
Shawfield
Sighthill
Wishaw

SOUTH

Cribbs Causeway
Evesham
Hereford
Cambridge
Kings Lynn
Peterborough (Boongate)
Peterborough (Rex Centre)
St Neots
Stamford
Wisbech
Huntingdon
Market Harborough
Northampton (Orbital Park)
Wellingborough
Worcester
Abingdon
Basingstoke
Bristol
Cheltenham
Chippenham

Cirencester
Clevedon
Frome
Gloucester
Hengrove
Newbury
Oxford (Botley)
Oxford (Cowley)
Reading
Swindon
Swindon TC
Weston Super Mare
Winchester
Witney
Basildon
Braintree
Bury St Edmunds
Chelmsford
Chelmsford Springfield
Clacton on Sea
Colchester
Cromer
Great Yarmouth
Ipswich
Lowestoft
Martlesham
Norwich
Norwich Hall Road
Norwich Mile Cross
Rayleigh
Southend
Sudbury
Thetford
Aylesbury
High Wycombe
Slough
Windsor
Brentwood
Crayford
Erith
Grays
Byfleet
East Molesey
Banbury
Bedford (Elm Farm)
Bicester
Bishops Stortford
Buckingham
Harlow
Harlow TC
Letchworth
Loughton
Luton
Milton Keynes
Stevenage

Watford
Welwyn Garden City
Bognor Regis
Brighton
Camberley
Chichester
Fareham
Farnborough
Farnham
Gatwick
Guildford
Hedgend
Horsham
Isle Of Wight
Lewes
Millbrook Southampton
Newhaven
Portsmouth
Waterlooville
Wokingham
Barnstaple
Bodmin
Bournemouth
Bridgewater
Christchurch
Dorchester
Exeter
Exeter TC
Exmouth
Glastonbury
Launceston
Plymouth
Plymouth TC
Poole
Salisbury
Taunton
Torquay
Truro
Weymouth
Yeovil
Ashford
Bexhill
Broadstairs
Canterbury
Eastbourne
Eastbourne TC
Folkestone
Maidstone
Sevenoaks
Sittingbourne
Strood
Tonbridge
Tunbridge Wells
Uckfield
Hailsham

WALES

Bangor
Barry
Bridgend
Cardiff (Hadfield Rd)
Cardiff (Newport Rd)
Carmarthen
Cross Hands
Flint
Haverfordwest
Merthyr Tydfil
Neath
Rhyl
Swansea (Cwmdu)
Swansea (Llan Samlett)
Wrexham

SHAREHOLDER NOTES

Topps Tiles

Topps Tiles Plc
Thorpe Way, Grove Park, Enderby,
Leicestershire
LE19 1SU
United Kingdom

www.toppstiles.co.uk