Registered number: 09827436

8 SLICES LIMITED

Annual Report and Financial Statements

For the 52 week period ended 1 July 2018

Contents

Company Information

Directors	Matteo Aloe Salvatore Aloe Steve Holmes Lindsay Dunsmuir
Company secretary	Lindsay Dunsmuir
Registered number	09827436
Registered office	Third Floor Capital House 25 Chapel Street London NW1 5DH
Independent auditor	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors The Portland Building, 25 High Street Crawley RH10 1BG

Strategic Report
For the 52 Week Period Ended 1 July 2018

Introduction

The directors present their strategic report for 8 Slices Limited ("the Company") for the 52 week period from 3 July 2017 to 1 July 2018 ("the period"). The comparatives in these financial statements are for the 53 week period from 27 June 2016 to 2 July 2017.

Business review

The results of the company for the period are set out on page 9 and show a loss before taxation of £935,000 (2017:£1,003,000). The total Shareholders' funds is in a net deficit position as at 1 July 2018 of £2,026,000 (2017: £929,000).

8 Slices Limited continues to make a Gross Loss of £292,000 as shown in the Statement of Comprehensive income on Page 9. The business continued to incur set up costs and fully realise operating expenses such as rent, rates, and head office management. This is will allow the business to grow and scale up with further sites.

Financial key performance indicators

The financial performance of the Company is measured through the use of the key performance indicators as follows:

	2018	2017	*Growth*
Performance Indicators:			
Turnover	**£1,302,000**	**£311,000**	*319%*
Number of stores at year end	**2**	2	*0%*

At the start of the 52 week period, the Hoxton Square site had been open six months and Clapham Common had just opened. Growing awareness and enthusiasm for the brand contributed to the turnover growth. *However, given that this is the first full period of trading for both sites, it is difficult to meaningfully measure* performance when comparing the two periods.

Once full period comparative trading figures are available these will be measured using the two key performance indicators being sales versus prior period and the number of trading restaurants versus prior period.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks affecting the Company are considered to be:

- Economic conditions - Adverse economic conditions and uncertainty can lead to challenging market conditions which could result in pressure on all functions of the business. A medium term business plan coupled with regular forecasting allows us to pre-empt any periods of difficulty and act early.

- Employee retention - With our biggest asset being our employees, it is critical to attract and retain the best people at all levels. We review our employment policies regularly and are committed to investing in our teams with competitive rewards structures and comprehensive training and development programs.

- Health & Safety - The Company maintains a strong focus on its food safety and health and safety standards, with the well-being of our teams and customers being paramount. Standards are monitored regularly across all of our sites, and compliance with legislation and best practice taken very seriously across the business.

- Continuity of supply chain - Our operations remain heavily dependent on key suppliers and distributors. We closely monitor against key supplier service level agreements with contingent arrangements in place where necessary.

- Reputation - Failure to maintain the high standards we have set can quickly affect public perception and could damage our brands. We monitor our customer service and operating standards regularly, and have dedicated quality and safety, and customer services teams. A crisis management process is also in place in the event of a serious incident.

The Company's activities expose it to a variety of financial risks:

- Credit risk - The company has no significant concentrations of credit risk. The nature of its operations results in a large and diverse customer base and a significant proportion of cash sales. The company has policies that limit the amount of credit exposure to any financial institution.

- Liquidity risk - The company manages its exposure to liquidity risk through a naturally low level of debtors, and having access to funds from Azzurri Restaurants Limited, from which assurances have been sought that amounts payable will not be repaid until such time as the Company has the necessary resources to do so.

- Price risk - The company is exposed to the variability in the price of commodities used in the running of our restaurants, this includes exposure to price fluctuations in ingredients purchased. The company mitigates this risk by entering into price negotiations with suppliers to fix and reduce costs where possible.

Strategic Report (continued)
For the 52 week period Ended 1 July 2018

This report was approved by the board on 4 April 2019 and signed on its behalf.

....
Lindsay Dunsmuir
Director

Directors' Report
For the 52 week period Ended 1 July 2018

The directors present their report and the audited financial statements for the 52 week period ended 1 July 2018.

Directors' responsibilities statement

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

Company law requires the directors to prepare audited financial statements for each financial period. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited financial statements 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 these audited financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the audited financial statements comply with the Companies Act 2006.

Directors' Confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Report (continued)
For the 52 week period Ended 1 July 2018

Results and dividends

The loss for the 52 week period, after taxation, amounted to £1,097,000 (2017 - loss £857,000).

The directors do not recommend the payment of a dividend (2017 - £NIL).

Directors

The directors who served during the period and up to the date of signing the financial statements, unless otherwise stated, were:

Matteo Aloe
Salvatore Aloe
James Pickworth (resigned 12 June 18)
Steve Holmes
Lindsay Dunsmuir (appointed 12 June 18)

Future developments

8 Slices Limited through its trading name "Radio Alice" and its proposition has been cemented following a transformational year of growing awareness and footfall. The pizza and proposition is unlike any other, we're excited by its potential and look forward to capitalising on this momentum by expanding the number of sites over the year ahead.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions for the benefit of Directors, as defined by the Companies Act 2006, have been in force during the period and at the date of approval of the financial statements.

Post balance sheet events

There have been no post balance sheet events requiring disclosure affecting the Company.

Prior period adjustment

During the period management reviewed the classification of fixed assets and made an adjustment to Fixed Assets and Creditors in the previous financial period. Further detail is disclosed in Note 11 and 15.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 4 April 2019 and signed on its behalf.

....
Lindsay Dunsmuir
Director

Independent auditors' report to the members of 8 Slices Limited

Report on the audit of the financial statements

Opinion

In our opinion, 8 Slices Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 1 July 2018 and of its loss for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 1 July 2018; the statement of comprehensive income, the statement of changes in equity for the 52 week period then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 1 July 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Simon Bailey

Simon Bailey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
4 April 2019

Statement of Comprehensive Income
For the 52 week period Ended 1 July 2018

	Note	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Turnover	4	**1,302**	*311*
Cost of sales		**(1,594)**	*(756)*
Gross loss		**(292)**	*(445)*
Administrative expenses		**(411)**	*(173)*
Exceptional administrative expenses	5	**(47)**	*(253)*
Operating loss	6	**(750)**	*(871)*
Interest payable	9	**(180)**	*(132)*
Other finance expense		**(5)**	*-*
Loss before tax		**(935)**	*(1,003)*
Tax on loss	10	**(162)**	*146*
Loss for the financial period		**(1,097)**	*(857)*

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 12 to 26 form part of these financial statements.

8 SLICES LIMITED
Registered number: 09827436

Balance Sheet
As at 1 July 2018

	Note	1 July 2018 £000	*2 July 2017 (restated) £000*
Fixed assets			
Tangible assets	11	**1,243**	*1,235*
		1,243	*1,235*
Current assets			
Inventories	12	**49**	*39*
Debtors: amounts falling due within one year	13	**520**	*706*
Cash at bank and in hand	14	**173**	*92*
		742	*837*
Creditors: amounts falling due within one year	15	**(2,891)**	*(1,881)*
Net current liabilities		**(2,149)**	*(1,044)*
Total assets less current liabilities		**(906)**	*191*
Creditors: amounts falling due after more than one year	16	**(1,120)**	*(1,120)*
Net liabilities		**(2,026)**	*(929)*
Capital and reserves			
Called up share capital	17	**-**	*-*
Profit and loss account		**(2,026)**	*(929)*
Total equity		**(2,026)**	*(929)*

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

....
Lindsay Dunsmuir
Director

Date: 4 April 2019

Statement of Changes in Equity
For the 52 week period Ended 1 July 2018

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 27 June 2016	-	(72)	(72)
Comprehensive expense for the period			
Loss for the 53 weeks period	-	**(857)**	**(857)**
At 2 July 2017	-	(929)	(929)
Comprehensive expense for the period			
Loss for the 52 weeks period	-	**(1,097)**	**(1,097)**
At 1 July 2018	-	(2,026)	(2,026)

The notes on pages 12 to 26 form part of these financial statements.

Notes to the Financial Statements
For the 52 week period Ended 1 July 2018

1. General information

The principal activities of the company are that of operating restaurants.

The Company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Third Floor, Capital House, 25 Chapel Street, London NW1 5DH.

2. Accounting policies

2.1 Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2.2 Statement of compliance

The financial statements of 8 Slices Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

2.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

2.4 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Azzurri Group Limited as at 1 July 2018 and these financial statements may be obtained from UK Companies House.

2. Accounting policies (continued)

2.5 Going concern

The company has net liabilities of £2,026,000 (2017: net liabilties £929,000) at the balance sheet date. The directors have considered the financial position of the company, prepared three year cash forecasts and concluded that it is appropriate to prepare the financial statements on a going concern basis.

The directors have also considered the company's debt structure with the company being funded by long term loan notes and having access to short term funding from group companies, and have also obtained written confirmation from Azzurri Restaurants Limited that they will not seek repayment of amounts due until such time as the company has necessary resources to do so.

2.6 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant	- 20% per annum
Fixtures	- 10% per annum
IT equipment	- 20% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Assets under construction comprise tangible fixed assets acquired for restaurants under construction, including costs directly attributable to bring the asset into use. Assets are transferred to short leasehold, plant and fixtures when the restaurant opens. No depreciation is provided on assets under construction as these assets have not been brought into working condition for intended use.

2.8 Inventories

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first outbasis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Cost of smallware inventories is determined by reference to the standard quantity in issue to each restaurant.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.11 Foreign Currency

The company's functional and presentation currency is the pound sterling. Transactions denominated in the foreign currency are recorded at the spot rate applicable at the date of the transaction. Monetary assets and liabilities expressed in foreign currencies held are measured at historical.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

The benefit of lease incentives is taken to the Statement of Comprehensive Income to reduce the lease expense on a straight-line basis over the lease term. The company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 July 2014). The company continues to credit these lease incentives to the Statement of Comprehensive Income over the period to the first review date.

2.15 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the 52 week period in which they are incurred.

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the 52 week period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.18 Exceptional administrative expenses

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.19 Prior period adjustment

During the period management reviewed the classification of fixed assets and made an adjustment to Fixed Assets and Creditors in the previous financial period. Further detail is disclosed in Note 11 and 15.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company accounting policies.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are listed below and in more detail in the related notes:

- **the impairment of the carrying amount of tangible fixed assets;**

The Company formally determines whether property, plant and equipment are impaired by considering indicators of impairment annually. This requires the Company to determine the lowest level of assets which generate largely independent cash flows (cash generating units or CGU) and to estimate the value in use of these assets or CGUs; and compare these to their carrying value. Cash generating units are deemed to be individual restaurants.

Calculating the value in use requires the Company to make an estimate of the future cash flows of each CGU and to choose a suitable discount rate in order to calculate the present value of those cash flows.

No impairment is required in the period ended 1 July 2018.

4. Turnover

An analysis of turnover by class of business is as follows:

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Restaurant sales	**1,302**	*311*
	1,302	*311*

All turnover arose within the United Kingdom.

5. Exceptional administrative expenses

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Brand development costs	**47**	*253*
	47	*253*

Brand development costs relate to late costs received to set up the two Radio Alice restaurants.

6. Operating loss

The operating loss is stated after charging:

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Depreciation of tangible fixed assets	**143**	*32*
Other operating lease rentals	**224**	*67*

Fees in respect of auditors' remuneration have been met by Azzurri Restaurants Limited, and have not been recharged.

7. Employees

	1 July 2018 £000	*2 July 2017 £000*
Wages and Salaries	**586**	*252*
Social security costs	**66**	*19*
	652	271

The company does not operate a defined benefit pension scheme.

Two directors earned £5,000 each in directors fees during the year (2017: £5,000 each). Costs for the remaining directors were paid by Azzurri Restaurants Limited, and the directors consider that it is not possible to accurately apportion these costs to the company (2017 - £NIL).

8. Average number of employees

The average monthly number of employees, including the directors, during the period was as follows:

	52 weeks ended 1 July 2018 No.	*53 weeks ended 2 July 2017 No.*
Restaurant staff	32	*29*

9. Interest payable

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Loan interest payable	180	*132*
	180	*132*

10. Tax on loss

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	*(3)*
Changes to tax rates	-	*10*
Unused tax losses	-	*(153)*
Adjustments in respect of prior periods	1	-
Write-off of deferred tax asset	161	-
Total deferred tax	162	*(146)*
Taxation on profit/(loss) on ordinary activities	162	*(146)*

10. Tax on loss (continued)

Factors affecting tax credit for the period

The tax assessed for the period is lower than *(2017 - lower than)* the standard rate of corporation tax in the UK of 19% *(2017 - 19.75%)*. The differences are explained below:

	52 weeks ended 1 July 2018 £000	*53 weeks ended 2 July 2017 £000*
Loss on ordinary activities before tax	**(935)**	*(1,003)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.75%)	**(178)**	*(198)*
Effects of:		
Capital allowances for 52 week period/period in excess of depreciation	**27**	*6*
Utilisation of tax losses	**152**	*(153)*
Write-off of deferred tax asset	**161**	*-*
Unrelieved tax losses carried forward	**-**	*184*
Changes to tax rates	**-**	*(10)*
Transfer pricing adjustments	**-**	*25*
Total tax credit for the period	**162**	*(146)*

Factors that may affect future tax charges

The Finance (No.2) Act 2015 was substantively enacted on 26 October 2015 and reduced the main rate of corporation tax to 17.0% from 1 April 2020. Closing deferred tax balances have therefore been valued at 17.0%.

Following a review of the company performance during the period, and having examined the forecast profitability of the business over the next 3 years, the Directors have decided not to recognise a deferred tax asset of £324,000. The directors will continue to keep this position under review, with a view to a potential recognition of the asset in future periods

11. Tangible assets

	Assets under construction £000	Short-term leasehold property £000	Plant, Fixtures and IT equipment £000	Total £000
Cost or valuation				
At 3 July 2017 (as previously stated)	-	475	620	1,095
Prior Year Adjustment	-	-	172	172
At 3 July 2017 (as restated)	-	475	792	1,267
Additions	86	-	65	151
Transfers between classes	(80)	(132)	212	-
At 1 July 2018	6	343	1,069	1,418
Depreciation				
At 3 July 2017	-	6	26	32
Charge for the 52 week period on owned assets	-	11	132	143
At 1 July 2018	-	17	158	175
Net book value				
At 1 July 2018	6	326	911	1,243
At 2 July 2017 (as restated)	-	*469*	*766*	*1,235*

During the period management reviewed the categorisation of assets in the fixed asset register and reclassified £172,000 of assets, as they were acquired in the previous financial period and should have been accrued for. The restatement has also increased creditors by £172,000, and has had no impact on profit before taxation, net assets or total equity.

12. Inventories

	1 July 2018 £000	*2 July 2017 £000*
Food and drink	**20**	*16*
Equipment	**29**	*23*
	49	*39*

There is no material difference between the replacement cost and the book value of inventory.

13. Debtors: amounts falling due within one year

	1 July 2018 £000	*2 July 2017 £000*
Amounts owed by group companies	**6**	*12*
Other debtors	**58**	*66*
Prepayments and accrued income	**456**	*465*
Deferred taxation	**-**	*163*
	520	*706*

All of the debtors stated above are due within one year. Amounts owed by group companies are unsecured, no interest and are repayable on demand.

14. Cash at bank and in hand

	1 July 2018 £000	*2 July 2017 £000*
Cash at bank and in hand	**173**	*92*
	173	*92*

Notes to the Financial Statements
For the 52 week period Ended 1 July 2018

15. Creditors: Amounts falling due within one year

	1 July 2018 £000	*As restated* *2 July 2017* *£000*
Trade creditors	**24**	*61*
Amounts owed to group companies	**2,364**	*970*
Accrued loan note interest	**312**	*144*
Other taxation and social security	**87**	*54*
Other creditors	**36**	*173*
Accruals and deferred income	**68**	*479*
	2,891	*1,881*

Amounts owed to group companies are repayable on demand, unsecured and bear no interest.

During the period management reviewed the categorisation of assets in the fixed asset register and reclassified £172,000 of assets, as they were acquired in the previous financial period and should have been accrued for. The restatement has also increased creditors by £172,000, and has had no impact on profit before taxation, net assets or total equity.

16. Creditors: Amounts falling due after more than one year

	1 July 2018 £000	*2 July 2017* *£000*
Unsecured shareholder loan notes	**1,120**	*1,120*
	1,120	*1,120*

	1 July 2018 £000	*2 July 2017 £000*
Amounts falling due 2-5 years		
Unsecured shareholder loan notes	1,120	-
Amounts falling due after more than 5 years		
Unsecured shareholders loan notes	-	*1,120*
	1,120	*1,120*

The shareholders loan notes are unsecured, bear interest at 12% and are redeemable as at 1 January 2023.

17. Called up Share capital

	1 July 2018 £	*2 July 2017 £*
Authorised, allotted, called up and fully paid		
7,400 *(2017 - 7,400)* Ordinary Shares A shares of £0.05 each	370	*370*
3,000 *(2017 - 3,000)* Ordinary Shares B shares of £0.01 each	30	*30*
	400	*400*

Ordinary A carry the voting right to receive notice of meetings and rights to appoint Directors. Ordinary B shares carry none of these rights.

18. Commitments under operating leases

At 1 July 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	1 July 2018 £000	*2 July 2017 £000*
Not later than 1 year	206	*206*
Later than 1 year and not later than 5 years	822	*822*
Later than 5 years	2,867	*3,072*
	3,895	*4,100*

19. Related party transactions

A management fee of £50,000 (2017: £50,000) was paid in the period to the minority Shareholder, Berbere Holdings UK Limited.

20. Post balance sheet events

There were no disclosable post balance sheet events.

21. Controlling party

The immediate parent company of 8 Slices Limited is Azzurri Central Limited.

Azzurri Central Limited is a wholly owned subsidiary of Azzurri Group Limited, a limited company incorporated in England and Wales and the largest group for which consolidated financial statements are prepared. The financial statements of Azzurri Group Limited are available from the Company Secretary, Third Floor, Capital House, 25 Chapel Street, London, NW1 5DH.

Shares in Azzurri Group Limited are held in the name of a nominee company, BEV Nominees II Limited which holds the shares as nominees for the 12 limited partnerships that comprise the Bridgepoint Europe V Fund being Bridgepoint Europe V 'A1' LP, Bridgepoint Europe V 'A2' LP, Bridgepoint Europe V 'A4' LP, Bridgepoint Europe V 'B1' LP, Bridgepoint Europe V 'B2' LP, Bridgepoint Europe V 'B3' LP, Bridgepoint Europe V 'B4' LP, Bridgepoint Europe V 'A3' LP, Bridgepoint Europe V 'C' LP, Bridgepoint Europe V 'D' LP, Bridgepoint Europe V 'E' LP and Wigmore Street Co-Investments No.1 LP (the "Partnerships"). The Partnerships each act by their FCA authorised fund manager, Bridgepoint Advisers Limited. Bridgepoint Advisers Limited's ultimate parent company is Bridgepoint Group Limited. Accordingly, the directors consider the Company's ultimate controlling party to be Bridgepoint Group Limited.