

REGISTERED NUMBER: 06410512 (England and Wales)

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
FOR
GROUP LEGAL LIMITED**



GROUP LEGAL LIMITED

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FOR THE YEAR ENDED 30 JUNE 2016**

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GROUP LEGAL LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2016**

DIRECTORS:

H C Molyneux
S E Oakley
M Ward

SECRETARY:

N D Wrigley

REGISTERED OFFICE:

Helmont House
Churchill Way
Cardiff
CF10 2HE

REGISTERED NUMBER:

06410512 (England and Wales)

INDEPENDENT AUDITOR:

KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

GROUP LEGAL LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their report with the financial statements of the company for the year ended 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of human resource advisory services.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

H C Molyneux
S E Oakley
M Ward

POLITICAL DONATIONS AND EXPENDITURE

The company made no political donations or incurred any political expenditure during the year.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



S E Oakley - Director

31 August 2016

GROUP LEGAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2016

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROUP LEGAL LIMITED

We have audited the financial statements of Group Legal Limited for the year ended 30 June 2016 on pages five to eleven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Robert Fitzpatrick (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

31 August 2016

GROUP LEGAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016 £'000	2015 £'000
TURNOVER		292	292
Cost of sales		<u>(1)</u>	<u>(2)</u>
GROSS PROFIT		291	290
Administrative expenses		<u>(235)</u>	<u>(218)</u>
OPERATING PROFIT		56	72
Interest payable and similar charges	3	<u>(70)</u>	<u>(70)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(14)	2
Tax on (loss)/profit on ordinary activities	5	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(14)	2
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(14)</u>	<u>2</u>

The notes on pages 8 to 11 form part of these financial statements

GROUP LEGAL LIMITED (REGISTERED NUMBER: 06410512)

**BALANCE SHEET
30 JUNE 2016**

	Notes	2016 £'000	2015 £'000
CURRENT ASSETS			
Debtors	8	151	164
Cash in hand		18	11
		<u>169</u>	<u>175</u>
CREDITORS			
Amounts falling due within one year	9	(1,626)	(1,618)
NET CURRENT LIABILITIES		<u>(1,457)</u>	<u>(1,443)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,457)</u>	<u>(1,443)</u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Retained earnings		(1,458)	(1,444)
SHAREHOLDER FUNDS		<u>(1,457)</u>	<u>(1,443)</u>

The financial statements were approved by the Board of Directors on 31 August 2016 and were signed on its behalf by:



S E Oakley - Director

GROUP LEGAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2014	1	(1,446)	(1,445)
Changes in equity			
Total comprehensive income	-	2	2
Balance at 30 June 2015	1	(1,444)	(1,443)
Changes in equity			
Total comprehensive loss	-	(14)	(14)
Balance at 30 June 2016	1	(1,458)	(1,457)

The notes on pages 8 to 11 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Group Legal Limited (the "company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

At the date of signing the company's financial statements, Redde plc have confirmed that through at least the next twelve months, they intend to provide any financial support required by the company for it to meet its financial obligations as they fall due.

On the basis of their assessment of the company's financial position and that of the Redde Group, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial reporting standard 102 - reduced disclosure exemptions

The company's ultimate parent undertaking, Redde plc includes the company in its consolidated financial statements. The consolidated financial statements of Redde plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary at Redde plc, Pinesgate, Lower Bristol Road, Bath, BA2 3DP. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Redde plc include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

- | | |
|-----------------------|---------------|
| Fixtures and fittings | - 20% on cost |
| Computer equipment | - 33% on cost |

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

GROUP LEGAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016****2. STAFF COSTS**

H C Molyneux was an executive of fellow Group undertaking, NewLaw Legal Limited for the year to the 30 June 2016. Full disclosure of the directors emoluments are included in fellow Group undertaking NewLaw Legal Limited accounts for the year to 30 June 2016. It is not practicable to allocate this between services as executive of NewLaw Legal Limited and services as director of Group Legal Limited.

S Oakley and M Ward were executives of the holding company, Redde plc, during the year to 30 June 2016. Full disclosure of the directors emoluments are in the Redde plc annual report and accounts for 2016. It is not practicable to allocate this between their services as executives of Redde plc and their services as directors of other group companies.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £'000	2015 £'000
Intercompany interest	70	70

4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities (2015 - profit on ordinary activities) is stated after charging:

	2016 £'000	2015 £'000
Auditor's remuneration	5	7

	2016 £	2015 £
Directors' remuneration	-	-

5. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2016 nor for the year ended 30 June 2015.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. In the Budget on 16 March 2016, the Chancellor announced an additional planned reduction to 17% by 2020. This will reduce the company's future current tax charge accordingly. 2016

No deferred tax asset has been recognised in respect of the tax losses carried forward of £1,422k (2015: £1,422k) due to the risks associated with the generation of the requisite future taxable profits.

6. INTANGIBLE FIXED ASSETS

	Computer software £'000
COST	
At 1 July 2015 and 30 June 2016	4
AMORTISATION	
At 1 July 2015 and 30 June 2016	4
NET BOOK VALUE	
At 30 June 2016	-
At 30 June 2015	-

GROUP LEGAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016**

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST			
At 1 July 2015 and 30 June 2016	4	51	55
DEPRECIATION			
At 1 July 2015 and 30 June 2016	4	51	55
NET BOOK VALUE			
At 30 June 2016	-	-	-
At 30 June 2015	-	-	-

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade debtors	150	160
Prepayments	1	4
	<u>151</u>	<u>164</u>

Included within trade debtors is £49k (2015: £42k) of amounts due from related parties.

Intercompany balances are repayable on demand.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade creditors	54	1
Amounts owed to group undertakings	1,471	1,499
Accruals and deferred income	-	111
Accruals	101	7
	<u>1,626</u>	<u>1,618</u>

Intercompany balances are repayable on demand.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2016 £'000	2015 £'000
1,000	Ordinary shares	£1	<u>1</u>	<u>1</u>

11. PARENT COMPANY

The company's immediate parent undertaking is Helphire Legal Services Limited, a company incorporated in the UK.

12. CONTINGENT LIABILITIES

During the year the company has entered into a cross guarantee to the Group's bank in respect of the borrowings of its parent and fellow subsidiary undertakings. At 30 June 2016 the contingent liability in respect of group borrowings was £nil.

13. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is Redde plc, who is both the smallest and the largest group for which Group accounts are prepared. The financial statements of the Group are publicly available and may be obtained from the Company Secretary, Redde plc, Pinesgate, Lower Bristol Road, Bath, BA2 3DP or at www.redde.com.