Slater and Gordon Faces Less Than Ideal Numbers

Summary: *Slater and Gordon may have bitten off more than they can chew in their acquisition of Quindell in March 2015.*

One year has made a big difference for Slater & Gordon in the UK. The firm's latest report shows a decrease in headcount by 16 percent. The firm, led by managing director Andrew Grech, released their annual report showing that it was at 3,310 employees between their 25 locations in UK. The firm had 3,950 employees in their report last year in 28 locations.

The firm stated, "Some of the reduced numbers are down to Slater and Gordon streamlining the firm and reducing duplicated roles in the business. However, we are hiring in areas such as family law, general law and others."

Read Slater & Gordon Makes History – But Not Good History.

Legal Week reported last month that Slater and Gordon intends to sue the UK insurance outsourcer Watchstone Group, aka Quindell, for the £637m acquisition of their professional services division. Soon after the deal was completed in March 2015, Quindell was investigated by UK's Serious Fraud Office for past accounting practices.

Slater and Gordon expects to announce an £577m loss for the 2015-2016 financial year despite their efforts to boost the UK business acquired from Quindell. This is after a £493m after-tax loss in the six months prior to last December, including a major writedown of the value of Quindell. Slater and Gordon recently agreed on a £437m refinancing deal with bankers in May.

See London's Stock Market to Welcome Its First Law Firm.

Chair of Slater and Gordon, John Skippen, said, "Slater and Gordon's results for the financial year ended 30 June 2016 were disappointing and well below expectations. As announced in February 2016, a range of performance improvement initiatives were put in place in the second half of the year to improve profitability and cash performance across the business. These initiatives are on track in terms of implementation and delivery of benefits, but there is still more work to do."

Slater and Gordon was the first law firm to become publicly traded in Australia in 2007. They enjoyed years of success, moving into the UK market in 2012 by acquiring Russell Jones & Walker and then Quindell in March 2015.

To learn more about the acquisition of Quindell, read Australia's Slater Gordon to Acquire Arm of Britain's Quindell.

Photo: claimsmag.co.uk