



The Forensic Accounting Team at Harbinson Mulholland

Analysis of Our Last 100 Cases

Representing:

Plaintiff	52
Defendant	48
	<u>100</u>

Civil/Criminal:

Civil	55
Criminal	45
	<u>100</u>

Types of cases:

- Fraud and money laundering
- Commercial and breach of contract
- Matrimonial cases
- Employment rights/discrimination
- Personal injury
- Fatal accident claims

With over 1000 cases to date, the forensic team at Harbinson Mulholland have considerable experience of acting for both plaintiff and defendant teams in a variety of civil and criminal cases. You have ready access to a dedicated team of partners and managers who have a detailed knowledge of the Northern Ireland business market and specific industry sectors.

Commercial litigation, money laundering and fraud cases, contact
Jeremy Harbinson **Paul Mulholland** **Brendan Dwyer**

Personal injury, employment rights and matrimonial cases contact
Jeremy Harbinson **Dearbhail Beatty** **Nora Tallon**

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Harbinson Mulholland is registered to carry on audit work and regulated for a range of investment activities by the Institute of Chartered Accountants in Ireland.

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Insight

The definitive source for all the latest developments in Forensic Accounting

Matrimonial Cases; How the Forensic Accountant Fits Into the Equation



- Role of the forensic accountant
- Getting the information
- How the report helps
- Analysis of our last 100 cases

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September 2004

MATRIMONIAL ACTIONS – ROLE OF THE FORENSIC ACCOUNTANT

The essential principle is:

“what are the wife’s reasonable needs balanced against the husband’s ability to pay”

(POTTER V POTTER (1982) 1 WLR 1255).

1. What is the role of the forensic accountant?

There are various phases in which the forensic accountant can assist:

- i) The approach to settlement
- ii) Gathering the evidence
- iii) Valuing of any business interest
- iv) Estimating the needs of the parties
- v) Negotiating a settlement
- vi) Overlooking the settlement and extracting any taxation advantages that arise.

2. How to get the information:

- i) On the basis that the husband has the assets, much of it will be with him or with his advisers.
- ii) Review the affidavits of both parties (if available) and summarise the financial particulars. Investigate further where necessary.
- iii) If acting for the wife, assist in “framing” the necessary questions for the questionnaire under Rule 2.63.
- iv) Independent company searches may help but this information is historical rather than looking to the future.

MATRIMONIAL ACTIONS – ROLE OF THE FORENSIC ACCOUNTANT

- v) Valuing a business, looking at the available resources and borrowing power of the business and its income stream and potential. (Avoid detailed valuations which become irrelevant.)
- vi) Concentrate on what sum a husband can reasonably afford to pay the wife by way of lump sum on the basis of the business remaining ongoing and without crippling him.
- vii) Look at asset backing, particularly in a majority stake.

3. What should the Forensic Accountant’s report achieve?

- i) It should save court time
- ii) Highlight the areas of dispute
- iii) Set out the resources
 - the earnings capacity
 - the assets
- iv) Provide an appendix setting out a schedule of assets and earning capacity
- v) Show the basis of valuation of private company shares and partnership interest