



# Trends in the Use of Forensic Accountants 2010-2015

NIFA is an association of independent forensic accounting practices. Over the period from 2010 to 2015, the group has witnessed a **45%** increase in cases.

## HEADLINES

The network has experienced a 45% increase in cases and a 59% increase in fee income.

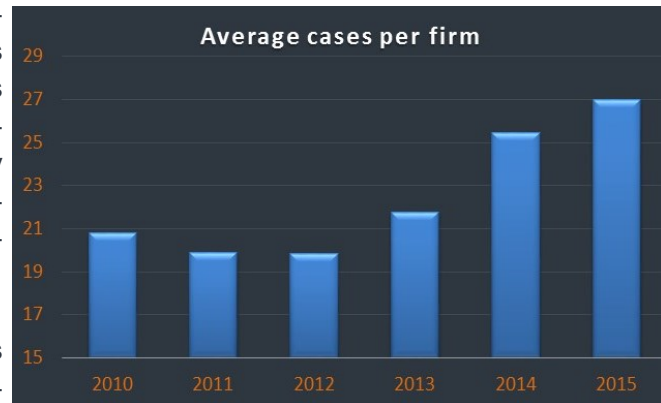
The early involvement of a forensic accountant, both in terms of cost and time, is increasingly being recognized.

NIFA members are increasingly being engaged in larger cases - smaller firms with specialist expertise provide cost effective solutions for large corporates as well as individuals.

Data relates to the period from January - December each year

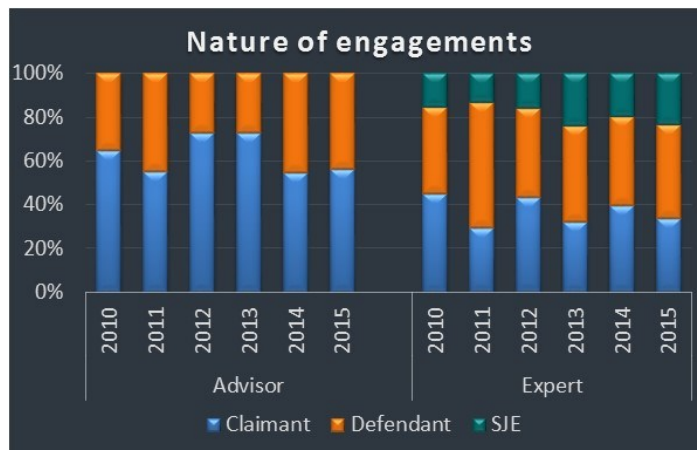
This increase in part reflects an increase in the number of member firms (12%). However, the major cause is the average number of cases undertaken by each member increasing by **30%**. This may be due to parties recognizing the benefits of the early involvement of a forensic accountant.

Changes in the nature of the cases have resulted in an increase in average fees of 42%.



The spread of cases taken on by NIFA members is currently fairly even between both claimants and defendants. A balanced view and the ability to pre-empt points that will be raised by the other side is a real attraction for our clients.

In the past NIFA members worked primarily for claimants. The change to a more even balance between claimants and defendants is as result of larger defendant entities becoming more aware that NIFA members can provide expertise in a cost effective manner. Historically members have been engaged by smaller-sized clients.



The number of single joint expert (SJE) appointments has increased by 77%. This is mainly due to the introduction of the 2010 Family Procedure Rules, which envisage SJE appointments as the norm in divorce cases.

## TYPES OF CASES

The work of our members can be broadly classified as follows:

- Commercial litigation
- Matrimonial
- Professional negligence
- Criminal cases
- Share valuation
- Personal injury / fatal accident
- Mediation



## ANALYSIS OF NIFA CASES BY TYPE - 2015

### HEADLINES (cont.)

Member firms consider the increasing early stage involvement of NIFA members is demonstrated by a reduction in fee income per case and an increase in case numbers.

Mediation remains an area where parties are yet to identify the benefit of engaging a forensic accountant.

### NIFA MEMBERS CAN HELP

If you would like to discuss a case please contact a NIFA member

CALL US ON  
0845 609 6091

EMAIL US AT  
enquiry@nifa.co.uk

OR  
VISIT US ONLINE AT  
www.nifa.co.uk

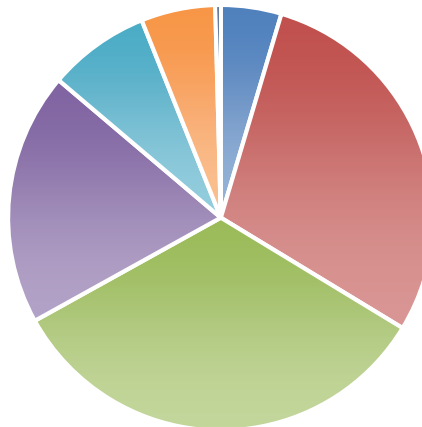
**Share valuation** - the volume of cases has increased by 200% whilst average fee income for this work has decreased. This is because earlier involvement of a forensic accountant reduces overall costs and improves the likelihood of agreeing a settlement.

**Professional negligence** - the volume of cases has increased by over 300%. Average fee income per case has increased significantly as NIFA members are engaged in larger cases.

**Commercial litigation** - NIFA members have witnessed a slight increase in the volume of commercial cases relative to the overall increase in engagements.

**Mediation (<1%)** - there is a lack of awareness of the benefits of engaging a forensic accountant as a mediator in disputes with financial and commercial issues.

**Personal injury / fatal accident** - the number of cases has declined following recent reforms affecting this area. The average fee income per case has increased as NIFA members are now primarily engaged in larger cases with greater prospects of success. NIFA members are primarily engaged by the claimant.



**Matrimonial** - remains the highest volume of cases by type for NIFA members, frequently including business valuations. NIFA members are often engaged as SJE. Over the period reviewed, the number of appointments by one party has increased as parties begin to identify the benefit of involving an advisor sooner.

**Criminal (fraud/theft/confiscation)** - members are usually engaged by the defendant, reflecting the budgetary constraints affecting the Police

### About NIFA

NIFA (the Network of Independent Forensic Accountants) was formed in 1999 to pool the extensive knowledge, expertise and resources from local firms to create a nationwide association.

NIFA accredited members have many years of experience in the preparation of expert reports in legal cases and providing evidence at court, as well as providing investigation services to solicitors, barristers, insurance companies, businesses and individuals.