

Trends in the Use of Forensic Accountants: 2016

NIFA is an association of independent forensic accounting practices. The group has witnessed a **21%** increase in cases per member in 2016.

In the year to December 2016 NIFA members* saw an increase of **21%** in the number of cases handled. **NIFA members have attributed this increase to the continued trend of parties recognising the benefits of the early involvement of a forensic accountant.**

The group has seen a significant increase in professional negligence cases and continues to undertake a large number of shareholder dispute cases. These are two areas where early involvement can often be key to building a strong case and achieving a settlement. There has also been a notable increase in the number of fraud and matrimonial cases handled between 2015 and 2016, with matrimonial now representing the largest single type of case.

HEADLINES

The association has experienced a 21% increase in cases in the year.

Clients continue to benefit from the early involvement of a forensic accountant, both in terms of cost and time.

NIFA members continue to be engaged in larger cases - smaller firms with specialist expertise provide cost effective solutions for large corporates as well as individuals.

There has been a clear increase in SJE appointments across a range of case types, recognising the value of forensic accountant in financial determinations.



Advisory cases taken on by NIFA members continue to be evenly split 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 proportion to the total number of expert witness engagements undertaken, the number of single joint expert (SJE) appointments has continued to increase. Matrimonial cases continue to dominate SJE appointments. Expert determination work is also on the rise. This may reflect an increase in corporate activity during a period of recovery for the economy.

TYPES OF CASES

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

- Fraud / Criminal
- Commercial litigation
- Matrimonial
- Mediation
- Personal injury / fatal accident
- Professional negligence
- Shareholder dispute
- Expert determination

*new and retired members excluded from calculation



ANALYSIS OF NIFA CASES BY TYPE - 2016

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.

Expert determination and SJE appointments have increased. 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

Shareholder disputes

Clients continue to see the advantage of early appointment from both a cost perspective and in terms of negotiation and settlement. NIFA members are in high demand and quantum input at an early stage can have a significant influence on the direction of a case and ultimately the final settlement.

Professional negligence

The volume of cases has nearly doubled compared to 2015 as NIFA members remain valuable advisors and experts in cases.

Personal injury / fatal accident

The number of cases has continued to decline following the 2010 Jackson Reforms. But, since the year end there are indications that enquiries in personal injury cases may be on the rise.

Matrimonial

Remains the highest volume of cases by type for NIFA members, frequently involving business valuations. While SJE appointments continue to dominate in this area, NIFA members have seen an increase in all types of appointments. The increase in single party appointments may reflect the improved awareness of the benefits of involving an advisor sooner.

Commercial litigation

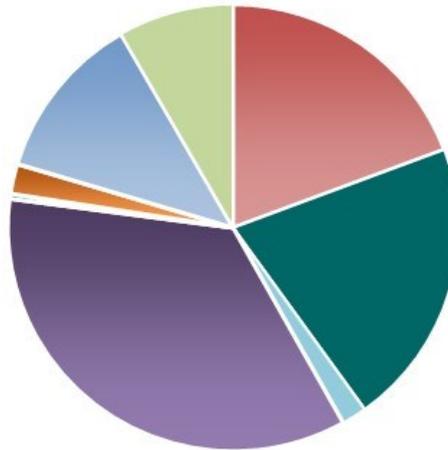
The number of commercial cases has remained consistent as NIFA members' experience continues to be in demand.

Criminal

Members are usually engaged by the defendant as an expert witness, reflecting the budgetary constraints affecting claimants and the police.

Expert determination

There has been a marked increase in expert determination appointments as NIFA members provide a cost effective means of resolving financial disputes.



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.