

HALL BROWN

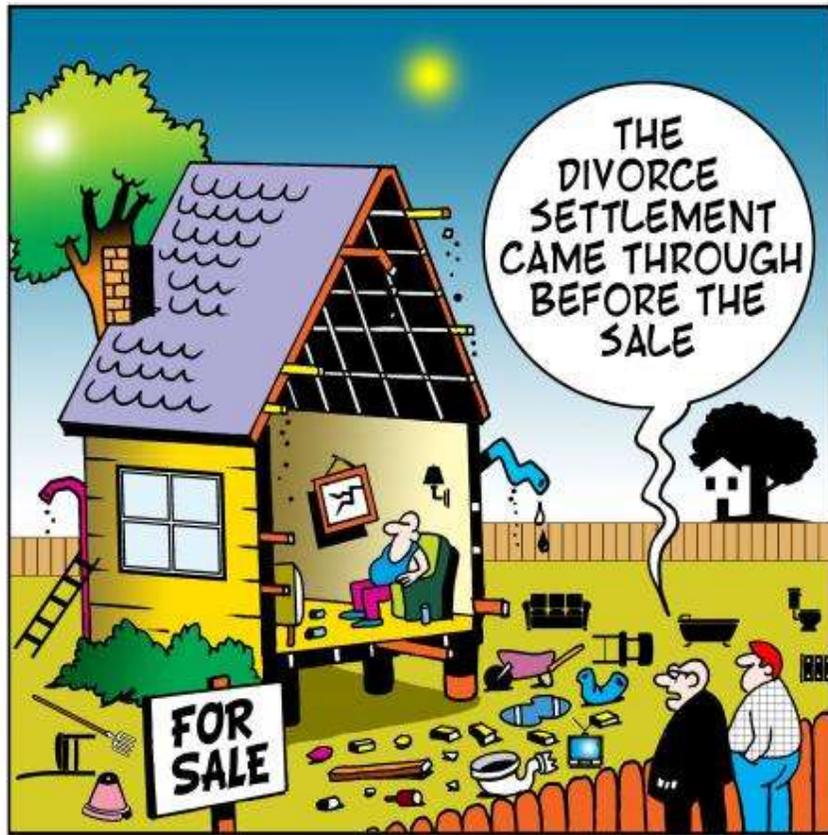
Family Law



IX v IY [2018] EWHC 3053 (Fam)

Husband asserted:

- a) The latent value of the company at the commencement of the marriage represented a contribution solely attributable to him.
- b) Because of the “heavy lifting” prior to the marriage, the business had a very substantial value at the time.
- c) The company had “springboard potential” – the valuation figure should be subject to indexation to reflect how it grew in value of its own momentum during the marriage.



HALL BROWN

Family Law



“We are concerned only with the value to be attributed to the springboard in place at that date, not with the value to be attributed to the subsequent activity of the diver or gymnast upon it”



“I continue to oppose the school of thought that plucks a random percentage out of the air where the pool of assets is a mixture of matrimonial and non-matrimonial property”

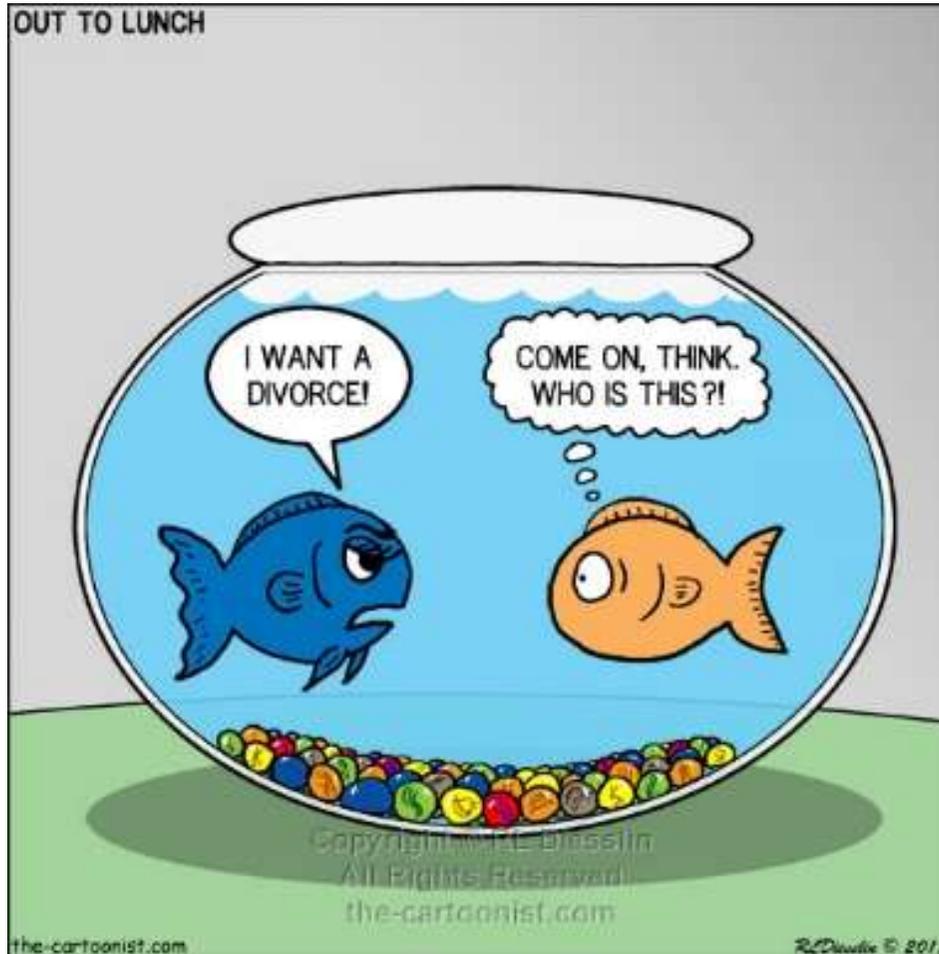


HALL BROWN
Family Law

Hart v Hart [2017] EWCA Civ 1306

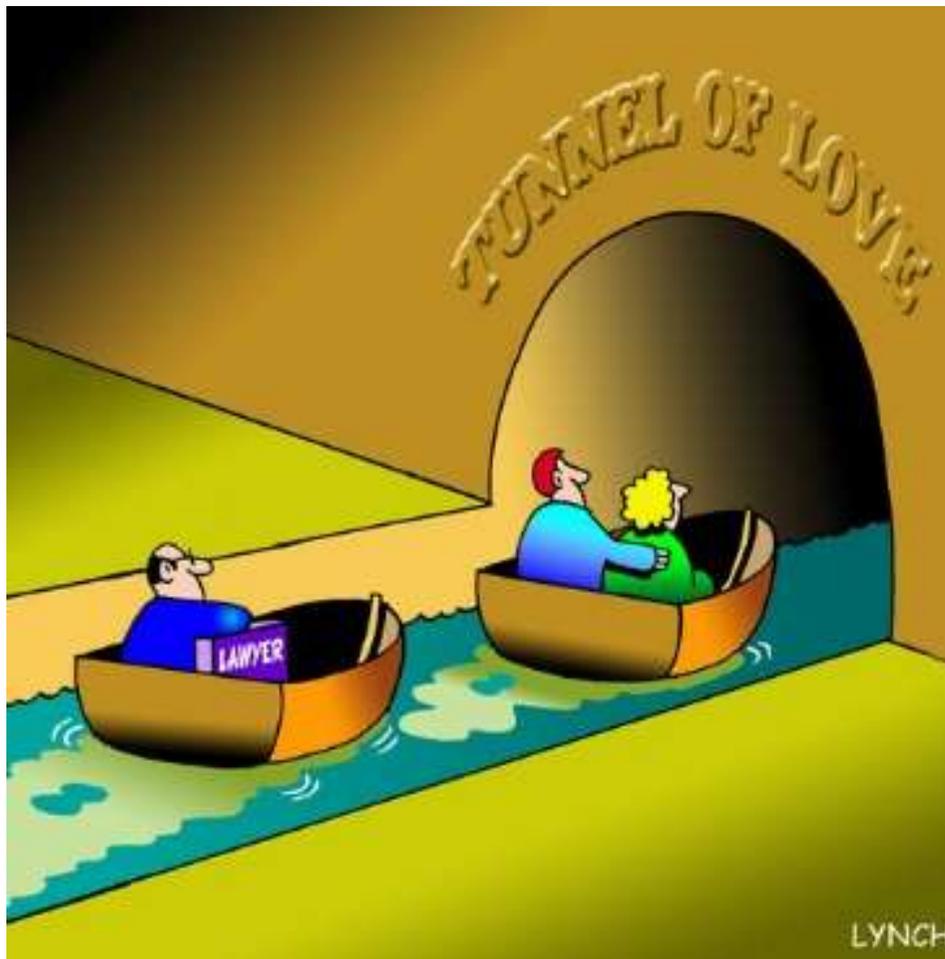
- Property being matrimonial or non-matrimonial is not always capable of clear identification.
- When property is a combination of the two, it can be artificial to identify a sharp division.
- Valuations can be “extremely expensive and of doubtful utility”.

OUT TO LUNCH



XW v XH [2017] EWFC 76

- Should the court adopt a “formulaic” or “broader” approach to non-matrimonial assets?
- What allowance should be made for “passive growth” in the valuation of a non-matrimonial asset?
- Should the court make any allowance for “latent potential” or a “springboard”?



HALL BROWN
Family Law

Martin v Martin [2018] EWCA Civ 2866

- Valuations of private companies can be fragile and need to be treated with caution.
- Assets have different levels of risk – the court must take that into account when applying the sharing principle.
- The value of shares in a limited company does not have the same weight as the value of other assets.



HALL BROWN
Family Law

Conclusions

1. Evidencing pre-marital contributions
2. Narrative statement
3. Pre-nuptial agreement
4. Inter-mingling
5. Length of the marriage

Thank you

HALL BROWN
Family Law

