

Hiles Mason, Sr., JD, CPA

# The Forensic Accounting Deskbook

A Practical Guide to  
Financial Investigation  
and Analysis for Family Lawyers



AMERICAN MANAGEMENT ASSOCIATION  
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Smith v. Smith  
Marital Balance Sheet  
3/31/10

No.	Description	Title	FMV	Debt	Equity	Child or Separate Account	Marital	Proposed Division	Notes
								Husband	Wife
<b>REAL ESTATE</b>									
1	Rental Property-1234 Maple Cove	J	410,000						
2	Estimated Sales Comm. on Rental Prop. Sale	J		(24,000)					Appraisal dated 11/3/09 listed for sale
3	Estimated Income Tax on Rental Property Sale	J		(55,000)	351,000		351,000	175,500	Estimated
4	Marital Residence-6567 Main St	J	250,000						Appraisal dated 11/3/09 listed for sale
5	Marital Residence-Mortgage #05-227	J		(119,000)	131,000		131,000	13,100	Statement dated 2/28/10
<b>CASH &amp; INVESTMENTS</b>									
6	Checking Account #5689	H	2,500		2,500		2,500	2,500	Statement dated 2/28/10
7	Checking Account #9876	W	3,500		3,500		3,500	3,500	Statement dated 2/28/10
8	Savings Account #1234	J	11,500		11,500		11,500	11,500	Statement dated 2/28/10
9	ABC Corporation Stock-200 shrs	H	20,000		20,000		20,000	20,000	Statement dated 2/28/10
10	Amer. Century I #3698	W	20,000		20,000		20,000	20,000	Statement dated 2/28/10
11	Amer. Century-Money Market #5678	J	31,000		31,000		31,000	31,000	Statement dated 2/28/10
12	Amer. Century-JI #6543	J	36,000		36,000		36,000	36,000	Statement dated 2/28/10
13	Jones Fund #1478	J	7,000		7,000		7,000	7,000	Statement dated 2/28/10
14	Jones Werkside #9998	J	2,000		2,000		2,000	2,000	Statement dated 2/28/10
15	Jones Twenty \$8889	J	9,000		9,000		9,000	9,000	Statement dated 2/28/10
16	eTrade Account #2589	H	4,000		4,000		4,000	4,000	Statement dated 2/28/10
<b>RETIREMENT</b>									
17	ABC Co. Pension Plan #AB-123	H	500,735		500,735		500,735	500,735	PV of future benefits as of 3/31/10
18	Military Pension Plan	H	190,000		190,000	(20,000)	170,000	170,000	PV of future benefits estimated as of 1/31/10
19	Money Purchase Pension Plan #XY-9876	H	140,000		140,000		140,000	140,000	Statement dated 2/28/10
20	Retirement Savings Plan #JK-6543	H	550,000		550,000		550,000	550,000	Statement dated 1/31/10
21	IRA #02-3456	H	11,000		11,000		11,000	11,000	Statement dated 2/28/10
22	IRA H #98-7654	H	122,000		122,000		122,000	91,500	Statement dated 2/28/10, 25% / 75% Split
23	403b Plan #9876	W	38,000		38,000		38,000	38,000	Statement dated 2/28/10
24	IRA H #6543	W	35,000		35,000		35,000	35,000	Statement dated 1/31/10
<b>PERSONAL PROPERTY</b>									
25	1992 Mercedes	J	12,000		12,000		12,000	12,000	NADA Average retail value as of 1/31/10
26	1999 Toyota	W	3,200		3,200		3,200	3,200	NADA Average retail value as of 1/31/10
27	2003 Chevrolet PU Truck	H	8,800		8,800		8,800	8,800	NADA Average retail value as of 1/31/10
28	Personal Property	J	20,000		20,000		20,000	10,000	H & W Estimate
29	Husbands Disposition of Marital Assets	H	109,538		109,538		109,538	109,538	Per Forensic Analysis
<b>OTHER DEBITS</b>									
29	Visa #4529	J		(4,000)	(4,000)		(4,000)	(4,000)	Per statement as of 1/31/10
30	Amex #1234	W		(8,500)	(8,500)		(8,500)	(8,500)	Per statement as of 3/15/10
31	Discover #6549	W		(9,500)	(9,500)		(9,500)	(9,500)	Per statement as of 1/31/10
<b>TOTALS</b>								1,066,073	1,260,700
								<b>45.8%</b>	<b>54.2%</b>

Smith v. Smith  
 Wife's Need for Support  
 3/31/10

Year	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
	Age	2.0% CODA	Employment Earnings	FICA	Retirement Deductions	Child Support	Alimony	Draws From Retirement	Social Security	Earnings & Principal Draws From Investments	Total Income	Federal Income Tax	Net Disposable Income	Mortgage Pmt & Int	Personal Living Exp. 2.5% Inflation	Annual (Deficit) or Surplus	Monthly (Deficit) or Surplus
1	48		45,000	(3,443)	(15,000)	38,400	54,000	0	0	2,000	120,958	(11,018)	109,939	(23,400)	(85,588)	951	79
2	49		45,900	(3,511)	(15,000)	25,200	72,000	0	0	7,000	131,589	(19,590)	111,999	(23,400)	(87,728)	871	73
3	50		46,818	(3,582)	(15,000)	25,200	72,000	0	0	9,000	134,436	(20,400)	114,036	(23,400)	(89,921)	715	67
4	51		47,754	(3,653)	(15,000)	0	72,000	0	0	19,000	120,101	(21,171)	98,930	(23,400)	(74,724)	807	67
5	52		48,709	(3,726)	(15,000)	0	72,000	0	0	20,000	121,983	(21,779)	100,204	(23,400)	(76,592)	213	18
6	53		49,684	(3,801)	(15,000)	0	72,000	0	0	22,000	124,883	(22,348)	102,534	(23,400)	(78,506)	628	52
7	54		50,677	(3,877)	(15,000)	0	72,000	0	0	23,000	126,800	(22,879)	103,921	(23,400)	(80,469)	52	4
8	55		51,691	(3,954)	(15,000)	0	72,000	0	0	25,000	129,737	(23,371)	106,365	(23,400)	(82,481)	484	40
9	56		52,725	(4,033)	(15,000)	0	72,000	0	0	27,000	132,691	(23,824)	108,867	(23,400)	(84,543)	924	77
10	57		53,779	(4,114)	(15,000)	0	72,000	0	0	28,000	134,665	(24,256)	110,429	(23,400)	(86,656)	372	31
11	58		54,855	(4,196)	(15,000)	0	72,000	0	0	32,000	139,658	(26,719)	112,939	(23,400)	(88,823)	716	60
12	59		55,952	(4,280)	(15,000)	0	72,000	0	0	38,000	139,672	(24,809)	114,862	(23,400)	(91,043)	419	35
13	60		0	0	0	0	0	65,000	0	0	11,000	(33,970)	117,030	(23,400)	(93,319)	310	26
14	61		0	0	0	0	0	140,000	0	0	151,000	(34,004)	119,996	(23,400)	(95,652)	943	79
15	62		0	0	0	0	0	140,000	0	0	156,000	(34,003)	121,997	(23,400)	(98,044)	554	46
16	63		0	0	0	0	0	140,000	0	0	158,000	(33,963)	124,037	(23,400)	(100,495)	142	12
17	64		0	0	0	0	0	140,000	0	0	161,000	(33,882)	127,118	(23,400)	(103,007)	710	59
18	65		0	0	0	0	0	140,000	15,000	12,000	167,000	(37,329)	129,671	(23,400)	(105,582)	688	57
19	66		0	0	0	0	0	140,000	15,375	14,000	169,375	(37,430)	131,945	(23,400)	(108,222)	323	27
20	67		0	0	0	0	0	140,000	15,759	17,000	172,759	(37,497)	135,262	(23,400)	(110,927)	935	78
21	68		0	0	0	0	0	140,000	16,153	0	156,153	(37,526)	118,627	0	(113,701)	4,926	411
22	69		0	0	0	0	0	140,000	16,557	0	156,557	(37,889)	118,668	0	(116,543)	2,125	177
23	70		0	0	0	0	0	140,000	16,971	1,000	157,971	(38,223)	119,748	0	(119,457)	291	24
24	71		0	0	0	0	0	140,000	17,395	4,000	161,395	(38,529)	122,866	0	(122,443)	423	35
25	72		0	0	0	0	0	140,000	17,830	7,000	164,830	(38,804)	126,027	0	(125,504)	522	44
26	73		0	0	0	0	0	140,000	18,276	10,000	168,276	(39,044)	129,232	0	(128,642)	590	49
27	74		0	0	0	0	0	140,000	18,733	13,000	171,733	(39,248)	132,485	0	(131,858)	627	52
28	75		0	0	0	0	0	140,000	19,201	16,000	175,201	(39,414)	135,788	0	(135,154)	633	53
29	76		0	0	0	0	0	140,000	19,681	19,000	178,681	(39,537)	139,144	0	(138,533)	611	51
30	77		0	0	0	0	0	140,000	20,173	22,000	182,173	(39,616)	142,557	0	(141,997)	561	47
31	78		0	0	0	0	0	140,000	20,678	25,000	185,678	(39,647)	146,031	0	(145,546)	484	40
32	79		0	0	0	0	0	140,000	21,195	28,000	189,195	(39,627)	149,568	0	(149,185)	382	32
33	80		0	0	0	0	0	140,000	21,724	31,000	192,724	(39,553)	153,172	0	(152,915)	287	21
34	81		0	0	0	0	0	140,000	22,268	34,000	196,268	(39,421)	156,847	0	(156,738)	109	9
35	82		0	0	0	0	0	140,000	22,824	38,000	200,824	(39,227)	161,597	0	(160,656)	941	78
603,544 (46,171) (180,000) 88,800 774,000 335,795 623,000 5,483,968 (1,129,531) 4,354,438 (468,000) (3,861,195) 25,239																	

**Smith v. Smith**  
**Wife's Retirement Savings**  
**3/31/2010**

Allocation:	<u>100%</u>	<u>0%</u>	<u>25%</u>	<u>35%</u>	<u>40%</u>	<u>Defined Contribution Plans &amp; IRAs</u>		
Balance at Divorce:	<b>854,500</b>	0	213,625	299,075	341,800	Money Purchase Pension Plan #XY-9876		140,000
Investment Type:		Cash	Fixed Inc.	Fixed Inc.	Equities	Retirement Savings Plan #JK-6543		550,000
Investment Vehicle:	<b>Average</b>	12 Mo. C.D.	U.S. Treas.	Bond Fund	Stock Avg.	IRA #02-3456		0
Return %:	<b>5.7%</b>	1.0%	4.5%	5.0%	7.0%	IRA II #98-7654		91,500
						403b Plan #9876		38,000
						IRA III #6543		<u>35,000</u>
								<u>854,500</u>

See MBS Exb. 1 Lines  
17-24

Year	Age					Annual Return	Cumulative Return	Contributor Distribution	Investment Balance
1	48	0	9,613	14,954	23,926	48,493	48,493	15,000	0 917,993
2	49	0	10,327	16,065	25,704	52,096	100,589	15,000	0 985,089
3	50	0	11,082	17,239	27,582	55,903	156,492	15,000	0 1,055,992
4	51	0	11,880	18,480	29,568	59,928	216,420	15,000	0 1,130,920
5	52	0	12,723	19,791	31,666	64,180	280,600	15,000	0 1,210,100
6	53	0	13,614	21,177	33,883	68,674	349,274	15,000	0 1,293,774
7	54	0	14,555	22,641	36,226	73,422	422,696	15,000	0 1,382,196
8	55	0	15,550	24,188	38,701	78,439	501,135	15,000	0 1,475,635
9	56	0	16,601	25,824	41,318	83,743	584,878	15,000	0 1,574,378
10	57	0	17,712	27,552	44,083	89,347	674,225	15,000	0 1,678,725
11	58	0	18,886	29,378	47,004	95,268	769,493	15,000	0 1,788,993
12	59	0	20,126	31,307	50,092	101,525	871,018	15,000	(65,000) 1,840,518
13	60	0	20,706	32,209	51,535	104,450	975,468	0	(140,000) 1,804,968
14	61	0	20,306	31,587	50,539	102,432	1,077,900	0	(140,000) 1,767,400
15	62	0	19,883	30,930	49,487	100,300	1,178,200	0	(140,000) 1,727,700
16	63	0	19,437	30,235	48,376	98,048	1,276,248	0	(140,000) 1,685,748
17	64	0	18,965	29,501	47,201	95,667	1,371,915	0	(140,000) 1,641,415
18	65	0	18,466	28,725	45,960	93,151	1,465,066	0	(140,000) 1,594,566
19	66	0	17,939	27,905	44,648	90,492	1,555,558	0	(140,000) 1,545,058
20	67	0	17,382	27,039	43,262	87,683	1,643,241	0	(140,000) 1,492,741
21	68	0	16,793	26,123	41,797	84,713	1,727,954	0	(140,000) 1,437,454
22	69	0	16,171	25,155	40,249	81,575	1,809,529	0	(140,000) 1,379,029
23	70	0	15,514	24,133	38,613	78,260	1,887,789	0	(140,000) 1,317,289
24	71	0	14,820	23,053	36,884	74,757	1,962,546	0	(140,000) 1,252,046
25	72	0	14,086	21,911	35,057	71,054	2,033,600	0	(140,000) 1,183,100
26	73	0	13,310	20,704	33,127	67,141	2,100,741	0	(140,000) 1,110,241
27	74	0	12,490	19,429	31,087	63,006	2,163,747	0	(140,000) 1,033,247
28	75	0	11,624	18,082	28,931	58,637	2,222,384	0	(140,000) 951,884
29	76	0	10,709	16,658	26,653	54,020	2,276,404	0	(140,000) 865,904
30	77	0	9,741	15,153	24,245	49,139	2,325,543	0	(140,000) 775,043
31	78	0	8,719	13,563	21,701	43,983	2,369,526	0	(140,000) 679,026
32	79	0	7,639	11,883	19,013	38,535	2,408,061	0	(140,000) 577,561
33	80	0	6,498	10,107	16,172	32,777	2,440,838	0	(140,000) 470,338
34	81	0	5,291	8,231	13,169	26,691	2,467,529	0	(140,000) 357,029
35	82	0	4,017	6,248	9,997	20,262	2,487,791	0	(140,000) <b>237,291</b>
								<u>180,000</u>	<u>(3,285,000)</u>

**Smith v. Smith  
Wife's Investment Savings  
3/31/2010**

Allocation:	100%	0%	25%	35%	40%
Balance at Divorce:	108,500	0	27,125	37,975	43,400
Investment Type:		Cash	Fixed Inc.	Fixed Inc.	Equities
Investment Vehicle:	Average	12 Mo. C.D.	U.S. Treas.	Bond Fund	Stock Avg.
Return %:	5.7%	1.0%	4.5%	5.0%	7.0%

Checking Account #5689	0
Checking Account #9876	3,500
Savings Account #1234	0
ABC Corporation Stock-200 shr	0
American Century Accounts	87,000
Jones Fund #1478	7,000
Janus-Worldwide #9998	2,000
Janus-Twenty S8889	9,000
eTrade Account #2589	0
	<u>108,500</u>

See MBS Exb. 1 Lines 6-16

Year	Age	Net Proceeds										
		Annual Return	Cumulative Return	Draws	Surplus or Deficit	After Sale of Rental Prop.	Investment Balance					
1	48	0	1,221	1,899	3,038	6,158	6,158	(2,000)	951	175,500	289,109	
2	49	0	3,252	5,059	8,095	16,406	22,564	(7,000)	871		299,386	
3	50	0	3,368	5,239	8,383	16,990	39,554	(9,000)	715		308,091	
4	51	0	3,466	5,392	8,627	17,485	57,039	(19,000)	807		307,383	
5	52	0	3,458	5,379	8,607	17,444	74,483	(20,000)	213		305,040	
6	53	0	3,432	5,338	8,541	17,311	91,794	(22,000)	628		300,979	
7	54	0	3,386	5,267	8,427	17,080	108,874	(23,000)	52		295,111	
8	55	0	3,320	5,164	8,263	16,747	125,621	(25,000)	484		287,342	
9	56	0	3,233	5,028	8,046	16,307	141,928	(27,000)	924		277,573	
10	57	0	3,123	4,858	7,772	15,753	157,681	(28,000)	372		265,698	
11	58	0	2,989	4,650	7,440	15,079	172,760	(32,000)	716		249,493	
12	59	0	2,807	4,366	6,986	14,159	186,919	(38,000)	419		226,071	
13	60	0	2,543	3,956	6,330	12,829	199,748	(11,000)	310		228,210	
14	61	0	2,567	3,994	6,390	12,951	212,699	(14,000)	943		228,104	
15	62	0	2,566	3,992	6,387	12,945	225,644	(16,000)	554		225,603	
16	63	0	2,538	3,948	6,317	12,803	238,447	(18,000)	142		220,548	
17	64	0	2,481	3,860	6,175	12,516	250,963	(21,000)	710		212,774	
18	65	0	2,394	3,724	5,958	12,076	263,039	(12,000)	688		213,538	
19	66	0	2,402	3,737	5,979	12,118	275,157	(14,000)	323		211,979	
20	67	0	2,385	3,710	5,935	12,030	287,187	(17,000)	935		207,944	
21	68	0	2,339	3,639	5,822	11,800	298,987	0	4,926		224,707	
22	69	0	2,528	3,932	6,291	12,751	311,738	0	2,125		239,546	
23	70	0	2,695	4,192	6,707	13,594	325,332	(1,000)	291		252,431	
24	71	0	2,840	4,418	7,068	14,326	339,658	(4,000)	423		263,180	
25	72	0	2,961	4,606	7,369	14,936	354,594	(7,000)	522		271,638	
26	73	0	3,056	4,754	7,606	15,416	370,010	(10,000)	590		277,644	
27	74	0	3,123	4,859	7,774	15,756	385,766	(13,000)	627		281,027	
28	75	0	3,162	4,918	7,869	15,949	401,715	(16,000)	633		281,609	
29	76	0	3,168	4,928	7,885	15,981	417,696	(19,000)	611		279,201	
30	77	0	3,141	4,886	7,818	15,845	433,541	(22,000)	561		273,607	
31	78	0	3,078	4,788	7,661	15,527	449,068	(25,000)	484		264,618	
32	79	0	2,977	4,631	7,409	15,017	464,085	(28,000)	382		252,017	
33	80	0	2,835	4,410	7,056	14,301	478,386	(31,000)	257		235,575	
34	81	0	2,650	4,123	6,596	13,369	491,755	(34,000)	109		215,053	
35	82	0	2,419	3,763	6,021	12,203	503,958	(38,000)	941		190,197	
										<u>(623,000)</u>	<u>25,239</u>	<u>175,500</u>

**Smith v. Smith****Wife's Personal Living Expenses****3/31/2010**

	<u>Present Home With Children</u>	<u>Present Home Without Children</u>
<b>Mortgage - Prin &amp; Int Only</b>	<u>1,950</u>	<u>1,950</u>
<b>Housing &amp; Furnishings</b>		
Cable & Internet	135	135
Insurance & Dues	153	153
Lawn & Pool Maintenance	35	35
Maintenance & Repairs	301	301
Property Taxes	* 400	400
Telephone	112	112
Water & Garbage	59	59
Utilities	<u>375</u> 1,570	<u>375</u> 1,570
<b>Transportation</b>		
Gas	<b>400</b>	<b>250</b>
Insurance	362	362
Licenses	16	16
Maintenance, Oil & Changes	208	208
Note	* 500 1,486	* 500 1,336
<b>Personal</b>		
Animals	64	64
Cell Phone	158	158
Christmas, Parties, Gifts	175	175
Clothing Replacement	<b>450</b>	<b>250</b>
College Fund (To be contributed by H)	0	0
Donations	197	197
Entertainment	<b>350</b>	* <b>200</b>
Groceries	<b>650</b>	* <b>400</b>
Haircuts & Personal Care	110	110
Health Insurance-COBRA	343	343
Life Insurance	33	33
Miscellaneous	415	415
Recreation for Children	<b>175</b>	* <b>0</b>
School Lunches & After School Meals	<b>100</b>	* <b>0</b>
Subscriptions	25	25
Tuition & Fees	100	* 0
Uncovered Medical & Dental, Prescriptions	<b>275</b>	<b>150</b>
Work Lunches	140	140
Vacation	<b>315</b> 4,076	* <b>215</b> 2,876
	<u>9,082</u>	<u>7,732</u>
<b>Totals</b>		
Mortgage	1,950	1,950
All other Personal Living Expenses	<u>7,132</u>	<u>5,782</u>
	<u>9,082</u>	<u>7,732</u>
Personal Living Expenses Inflated @ 2.5% for 3 Years		<u>6,227</u>

\* Added/amended by the analyst.

Smith v. Smith  
 Husband's Ability to Pay Support  
 3/31/10

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Year	Age	ABC & Military Earnings	FICA	401(k) Deductions	Alimony	Child Support	Defined Contribution Plans	Def. Benefit & Military Draw*	Social Security 2.5% COLA	Federal & State Income Tax	Draws From Investments	Net Disposable Income	Mortgage or Rent	Living Expenses	Annual (Deficit) or Surplus	Monthly (Deficit) or Surplus
1	48	225,000	(9,103)	(15,000)	(54,000)	(38,400)	0	0	0	(31,794)	16,000	92,703	(28,354)	(63,516)	834	70
2	49	227,250	(9,136)	(15,000)	(72,000)	(25,200)	0	0	0	(29,177)	17,000	93,737	(28,354)	(65,104)	280	23
3	50	195,000	(8,668)	(15,000)	(72,000)	(25,200)	0	0	0	(20,306)	42,000	95,826	(28,354)	(66,731)	741	62
4	51	196,950	(8,696)	(15,000)	(72,000)	0	0	0	0	(20,597)	17,000	97,656	(28,354)	(68,400)	903	75
5	52	198,920	(8,725)	(15,000)	(72,000)	0	0	14,412	0	(25,284)	7,000	99,323	(28,354)	(70,110)	859	72
6	53	200,909	(8,754)	(15,000)	(72,000)	0	0	14,412	0	(26,075)	7,000	100,492	(28,354)	(71,863)	276	23
7	54	202,918	(8,783)	(15,000)	(72,000)	0	0	14,412	0	(26,848)	8,000	102,699	(28,354)	(73,659)	687	57
8	55	204,947	(8,812)	(15,000)	(72,000)	0	0	14,412	0	(27,602)	8,000	103,945	(28,354)	(75,501)	91	8
9	56	206,996	(8,842)	(15,000)	(72,000)	0	0	14,412	0	(28,337)	9,000	106,230	(28,354)	(77,388)	488	41
10	57	209,066	(8,872)	(15,000)	(72,000)	0	0	14,412	0	(29,053)	10,000	108,553	(28,354)	(79,323)	877	73
11	58	211,157	(8,902)	(15,000)	(72,000)	0	0	14,412	0	(29,751)	10,000	109,916	(28,354)	(81,306)	257	21
12	59	0	0	0	0	0	45,000	146,412	0	(45,852)	0	145,560	(28,354)	(83,338)	33,868	2,822
13	60	0	0	0	0	0	45,000	146,412	0	(46,752)	0	144,660	(28,354)	(85,422)	30,884	2,574
14	61	0	0	0	0	0	45,000	146,412	0	(47,625)	0	143,787	(28,354)	(87,538)	27,876	2,323
15	62	0	0	0	0	0	45,000	146,412	0	(48,469)	0	142,943	(28,354)	(89,746)	24,843	2,070
16	63	0	0	0	0	0	45,000	146,412	0	(49,283)	0	142,129	0	(91,990)	50,139	4,178
17	64	0	0	0	0	0	45,000	146,412	18,000	(55,646)	0	153,766	0	(94,290)	59,476	4,956
18	65	0	0	0	0	0	45,000	146,412	18,450	(57,317)	0	152,345	0	(96,647)	55,898	4,658
19	66	0	0	0	0	0	45,000	146,412	18,911	(58,994)	0	151,330	0	(99,063)	52,266	4,356
20	67	0	0	0	0	0	45,000	146,412	19,384	(60,677)	0	150,119	0	(101,540)	48,580	4,048
21	68	0	0	0	0	0	45,000	146,412	19,869	(62,365)	0	148,916	0	(104,078)	44,837	3,736
22	69	0	0	0	0	0	45,000	146,412	20,365	(64,060)	0	147,717	0	(106,680)	41,037	3,420
23	70	0	0	0	0	0	45,000	146,412	20,874	(65,761)	0	146,525	0	(109,347)	37,178	3,098
24	71	0	0	0	0	0	45,000	146,412	21,396	(67,468)	0	145,340	0	(112,081)	33,259	2,772
25	72	0	0	0	0	0	45,000	146,412	18,000	(68,078)	0	141,334	0	(114,883)	26,451	2,204
26	73	0	0	0	0	0	45,000	146,412	18,450	(69,715)	0	140,147	0	(117,755)	22,392	1,866
27	74	0	0	0	0	0	45,000	146,412	18,911	(71,354)	0	138,970	0	(120,699)	18,271	1,523
28	75	0	0	0	0	0	45,000	146,412	19,384	(72,993)	0	137,803	0	(123,716)	14,087	1,174
29	76	0	0	0	0	0	45,000	146,412	19,869	(74,631)	0	136,649	0	(126,809)	9,840	820
30	77	0	0	0	0	0	45,000	146,412	20,365	(76,269)	0	135,509	0	(129,980)	5,529	461
31	78	0	0	0	0	0	45,000	146,412	20,874	(77,904)	0	134,382	0	(133,229)	1,153	96
		2,279,113	(97,292)	(165,000)	(774,000)	(88,800)	900,000	3,029,124	293,104	(1,536,038)	151,000	3,991,211	(425,304)	(2,921,753)	644,157	

\* Military Retirement estimated to be \$1,201/mo.; ABC Co. Pension estimated to be \$11,000/mo. at age 60.

**Smith v. Smith**  
**Husband's Retirement Savings**  
**3/31/2010**

Allocation:	<u>100%</u>	<u>0%</u>	<u>25%</u>	<u>35%</u>	<u>40%</u>
Balance at Divorce	<b>41,500</b>	0	10,375	14,525	16,600
Investment Type:		Cash	Fixed Inc.	Fixed Inc.	Equities
Investment Vehicle	<b>Average</b>	12 Mo. C.D.	U.S. Treas.	Bond Fund	Stock Avg.
Return %:	<b>5.7%</b>	1.0%	4.5%	5.0%	7.0%

Defined Contribution Plans & IRAs

Money Purchase Pension Plan #XY-9876	0
Retirement Savings Plan #JK-6543	0
IRA #02-3456	11,000
IRA II #98-7654	30,500
403b Plan #9876	0
IRA III #6543	0
	<u>41,500</u>
Company Contribution-401(k)	2,000
Company Contribution-Money Purchase	10,000
Company Contribution-Other	5,000
Husband's Contribution-401(k)	15,000
	<u>32,000</u>

Year	Age				Annual Return	Cumulative Return	Contribution	Distribution	Investment Balance	
1	48	0	467	726	1,162	2,355	2,355	32,000	0	75,855
2	49	0	853	1,327	2,124	4,304	6,659	32,000	0	112,159
3	50	0	1,262	1,963	3,140	6,365	13,024	32,000	0	150,524
4	51	0	1,693	2,634	4,215	8,542	21,566	32,000	0	191,066
5	52	0	2,149	3,344	5,350	10,843	32,409	32,000	0	233,909
6	53	0	2,631	4,093	6,549	13,273	45,682	32,000	0	279,182
7	54	0	3,141	4,886	7,817	15,844	61,526	32,000	0	327,026
8	55	0	3,679	5,723	9,157	18,559	80,085	32,000	0	377,585
9	56	0	4,248	6,608	10,572	21,428	101,513	32,000	0	431,013
10	57	0	4,849	7,543	12,068	24,460	125,973	32,000	0	487,473
11	58	0	5,484	8,531	13,649	27,664	153,637	32,000	0	547,137
12	59	0	6,155	9,575	15,320	31,050	184,687	0	(45,000)	533,187
13	60	0	5,998	9,331	14,929	30,258	214,945	0	(45,000)	518,445
14	61	0	5,833	9,073	14,516	29,422	244,367	0	(45,000)	502,867
15	62	0	5,657	8,800	14,080	28,537	272,904	0	(45,000)	486,404
16	63	0	5,472	8,512	13,619	27,603	300,507	0	(45,000)	469,007
17	64	0	5,276	8,208	13,132	26,616	327,123	0	(45,000)	450,623
18	65	0	5,070	7,886	12,617	25,573	352,696	0	(45,000)	431,196
19	66	0	4,851	7,546	12,073	24,470	377,166	0	(45,000)	410,666
20	67	0	4,620	7,187	11,499	23,306	400,472	0	(45,000)	388,972
21	68	0	4,376	6,807	10,891	22,074	422,546	0	(45,000)	366,046
22	69	0	4,118	6,406	10,249	20,773	443,319	0	(45,000)	341,819
23	70	0	3,845	5,982	9,571	19,398	462,717	0	(45,000)	316,217
24	71	0	3,557	5,534	8,854	17,945	480,662	0	(45,000)	289,162
25	72	0	3,253	5,060	8,097	16,410	497,072	0	(45,000)	260,572
26	73	0	2,931	4,560	7,296	14,787	511,859	0	(45,000)	230,359
27	74	0	2,592	4,031	6,450	13,073	524,932	0	(45,000)	198,432
28	75	0	2,232	3,473	5,556	11,261	536,193	0	(45,000)	164,693
29	76	0	1,853	2,882	4,611	9,346	545,539	0	(45,000)	129,039
30	77	0	1,452	2,258	3,613	7,323	552,862	0	(45,000)	91,362
31	78	0	1,028	1,599	2,558	5,185	558,047	0	(45,000)	51,547
								<u>352,000</u>	<u>(900,000)</u>	



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**Smith v. Smith  
Husband's Investment Savings  
3/31/2010**

Checking Account #5689	2,500
Checking Account #9876	0
Savings Account #1234	11,500
ABC Corporation Stock-200 shr	20,000
Amer. Century I #3698	0
Jones Fund #1478	0
Janus-Worldwide #9998	0
Janus-Twenty \$8889	0
eTrade Account #2589	4,000
	<u>38,000</u>

Allocation:	<u>100%</u>	<u>0%</u>	<u>25%</u>	<u>35%</u>	<u>40%</u>
Balance at Divorce	<b>38,000</b>	0	9,500	13,300	15,200
Investment Type:		Cash	Fixed Inc.	Fixed Inc.	Equities
Investment Vehicle	<b>Average</b>	12 Mo. C.D.	U.S. Treas.	Bond Fund	Stock Avg.
Return %:	<b>5.7%</b>	1.0%	4.5%	5.0%	7.0%

Year	Age					Annual Return	Cumulative Return	Draws	Net Proceeds		Investment Balance
									Surplus Contribution or Deficit Distribution	After Sale of & Dwnpmt on Rental Prop. New House	
1	48	0	428	665	1,064	2,157	2,157	(16,000)	834	105,500	130,491
2	49	0	1,468	2,284	3,654	7,406	9,563	(17,000)	280		121,177
3	50	0	1,363	2,121	3,393	6,877	16,440	(42,000)	741		86,795
4	51	0	976	1,519	2,430	4,925	21,365	(17,000)	903		75,623
5	52	0	851	1,323	2,117	4,291	25,656	(7,000)	859		73,773
6	53	0	830	1,291	2,066	4,187	29,843	(7,000)	276		71,236
7	54	0	801	1,247	1,995	4,043	33,886	(8,000)	687		67,966
8	55	0	765	1,189	1,903	3,857	37,743	(8,000)	91		63,914
9	56	0	719	1,118	1,790	3,627	41,370	(9,000)	488		59,029
10	57	0	664	1,033	1,653	3,350	44,720	(10,000)	877		53,256
11	58	0	599	932	1,491	3,022	47,742	(10,000)	257		46,535
12	59	0	524	814	1,303	2,641	50,383		33,868		83,044
13	60	0	934	1,453	2,325	4,712	55,095		30,884		118,640
14	61	0	1,335	2,076	3,322	6,733	61,828		27,876		153,249
15	62	0	1,724	2,682	4,291	8,697	70,525		24,843		186,789
16	63	0	2,101	3,269	5,230	10,600	81,125		50,139		247,528
17	64	0	2,785	4,332	6,931	14,048	95,173		59,476		321,052
18	65	0	3,612	5,618	8,989	18,219	113,392		55,898		395,169
19	66	0	4,446	6,915	11,065	22,426	135,818		52,266		469,861
20	67	0	5,286	8,223	13,156	26,665	162,483		48,580		545,106
21	68	0	6,132	9,539	15,263	30,934	193,417		44,837		620,877
22	69	0	6,985	10,865	17,385	35,235	228,652		41,037		697,149
23	70	0	7,843	12,200	19,520	39,563	268,215		37,178		773,890
24	71	0	8,706	13,543	21,669	43,918	312,133		33,259		851,067
25	72	0	9,575	14,894	23,830	48,299	360,432		26,451		925,817
26	73	0	10,415	16,202	25,923	52,540	412,972		22,392		1,000,749
27	74	0	11,258	17,513	28,021	56,792	469,764		18,271		1,075,812
28	75	0	12,103	18,827	30,123	61,053	530,817		14,087		1,150,952
29	76	0	12,948	20,142	32,227	65,317	596,134		9,840		1,226,109
30	77	0	13,794	21,457	34,331	69,582	665,716		5,529		1,301,220
31	78	0	14,639	22,771	36,434	73,844	739,560		1,153		1,376,217
								<u>(151,000)</u>	<u>644,157</u>		

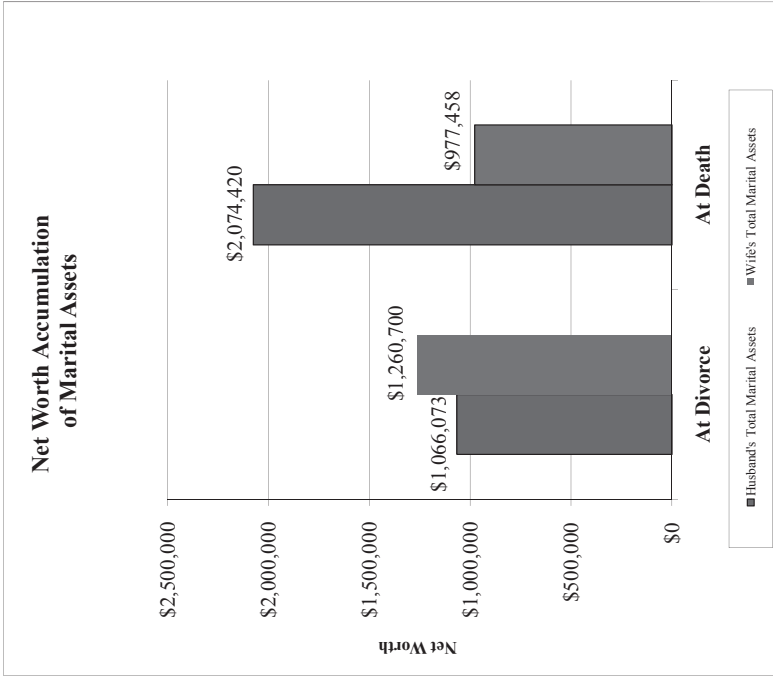
**Smith v. Smith**  
**Husband's Personal Living Expenses**  
**3/31/2010**

	<u>New House</u>		<u>New House Purchase</u>
<b>Mortgage - Prin &amp; Int Only</b>	2,363		
<b>Housing &amp; Furnishings</b>			
Alarm	40		Purchase Price
Cable & Internet	89		Less Downpayment
Water & Garbage	25		<u>(70,000)</u>
Insurance	120		Mortgage Balance (15 Yr., 6%)
Lawn & Pool Maintenance	100		<u>280,000</u>
Maintenance & Repairs	250		
Property Taxes	450		Monthly Mortgage Payment
Telephone	50		<u>2,363</u>
Utilities	<u>350</u>	1,474	
<b>Transportation</b>			
Gas	300		
Insurance	100		
Licenses	10		
Maintenance, Oil & Changes	50		
Note	*	<u>500</u>	960
<b>Personal</b>			
Cell Phone	0		
Christmas, Parties, Gifts	100		
Clothing Replacement	150		
Dues (deducted from pay)	312		
Donations	*	50	
Entertainment	*	150	
Furniture Payments	150		
Groceries	400		
Haircuts & Personal Care	55		
Health Insurance & Disab.	252		
Laundry & Dry Cleaning	50		
Life & Disability Insurance	120		
Memberships	75		
Miscellaneous	*	300	
Work Lunches	400		
Subscriptions	10		
Uncovered Medical & Dental, Prescriptions	35		
Vacation	<u>250</u>		
		<u>2,859</u>	
		<u>7,656</u>	
<b>Totals</b>			
Mortgage or Rent	2,363		
All other Personal Living Expenses		<u>5,293</u>	
		<u>7,656</u>	

\* Added by the analyst.

**Smith v. Smith**  
**Net Worth Accumulation of Marital Assets**  
**3/31/10**

	Husband		Wife	
	Estimated Value At Divorce	Estimated Value At Death	Estimated Value At Divorce	Estimated Value At Death
Marital Residence Equity - 2% Appreciation	0	0	131,000	549,970
New Home - 2% Appreciation	0	646,656	0	0
Investment Assets	213,500	1,376,217	284,000	190,197
Retirement Assets	712,235	51,547	854,500	237,291
Other Assets & Debts	140,338	0	(8,800)	0
	<u>1,066,073</u>	<u>2,074,420</u>	<u>1,260,700</u>	<u>977,458</u>

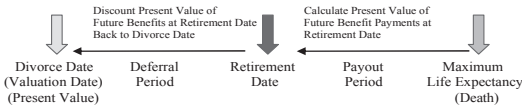


**Calculation of Estimated Value of Defined Benefit Pension Plan Interest**

Case Information	Plan Information
Case Style: Picard v Picard	Employer: Large Public Enterprise, Inc
Plan Participant: J L Picard	Plan Name: Large Public Enterprise, Inc Retirement Plan
Sex: M	Payout Method for Monthly Benefit: Single Life Annuity
Race: W	Date of Retirement: 1/1/2023
Date of Birth: 12/1/1958	Age at Retirement: 65 0
Age at Date of Valuation: 51 7	Date of Hire: 10/1/1986
Date of Valuation: 8/31/2010	Date of Plan Participation: 10/1/1986
Date of Preparation: 8/31/2010	Years in Plan as of Date of Valuation: 23 9
Date of Marriage: 9/21/1990	Ratio of Benefits During Marriage: 83 3%
Years of Marriage: 19 9	Vested Percentage: 100 0%

**Calculations**

**Pension Plan Valuation Timeline**



Monthly retirement benefit	<u>\$2,850 00</u>	a	Per pension benefit statement dated 6/30/10
Retirement age used in this calculation	65 0		Per pension benefit statement dated 6/30/10
Life expectancy at valuation date <sup>1</sup>	28 2	b	
Number of years to retirement age (deferral period)	<u>13 3</u>	c	
Years of life expectancy beyond retirement age (payout period)	14 9	d	b - c = d.
Discount rate for payout period <sup>2</sup>	4 50%	e	
Present value of monthly benefits at retirement date	370,808	f	Present value of a. discounted monthly with d. & e.
Discount rate for deferral period <sup>2</sup>	4 50%	g	
Present value of retirement benefits at valuation date	206,492	h	Present value of f. discounted annually with e. & g.
Ratio of total benefits during marriage	83 3%	i.	Married after plan participation started
<b>Marital value of retirement benefits at valuation (divorce) date</b>	<b><u>\$172,008</u></b>	j	h x i. = j.

**Notes**

- 1) Life Expectancy Tables "United States Life Tables, 2004", National Vital Statistics Reports, Vol. 56, No. 9, Dec. 28, 2007, National Center for Health Statistics; Life Table for white males.
- 2) Derived from Federal Reserve Statistical Release as of 8/31/10; 20 Year, U.S. Government Securities, Treasury Constant Maturities, plus a factor for risk

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