

Fraud, Forensic and Investigative Services

Duff & Phelps is a leading provider of consulting services to companies confronting suspected fraud and other complex financial and accounting issues. Our Forensic and Investigative Services industry-leading professionals have significant experience in financial and internal corporate investigations, forensic accounting, internal audit, electronic data analysis, due diligence and business intelligence.



Bringing investigative, technical and regulatory expertise, we partner, as appropriate, with counsel and clients serving as an independent fact-finder, consultant or expert witness.

Clients rely on our ability to help reconstruct and analyze accounting, business and other records in order to reveal essential facts and provide rigorous analysis of potentially fraudulent activity. We also assist clients in developing comprehensive, proactive systems to detect and prevent fraud.

We analyze matters in numerous industries requiring or relating to:

- Asset Tracing
- Business Intelligence and Background Investigations

- Electronic Data, Discovery Assistance and Evidence Analysis
- Forensic Accounting
- Forensic and Financial Fraud Investigations
 - Bankruptcy fraud
 - Asset misappropriations
 - Financial statement misrepresentations
 - Money laundering
 - Brokerage and investment fraud schemes
 - Embezzlement and kickback schemes
 - Whistle blower complaints

OUR SERVICES INCLUDE UNRAVELING COMPLEX TRANSACTIONS, RECONSTRUCTING EVENTS FROM INCOMPLETE OR CORRUPT DATA, UNCOVERING VITAL EVIDENCE AND IDENTIFYING POTENTIAL CLAIMS.

- Fact-Finding in Other Complex Financial and Accounting Disputes
 - Alter ego and piercing the corporate veil claims
 - Marital dissolution and evaluation of personal assets and liabilities
 - Royalty agreement or other contract disputes
 - Merger and acquisition disputes involving claims of misrepresentation, fraud or breach of representations and warranties

Case Examples

- Retained to advise counsel in its defense of a key individual in connection with a Federal tax prosecution that has been termed the “largest criminal tax case in U.S. history.” We reconstructed the individual’s financial history and assets for a six-year period, including complex financial transactions employing numerous bank and investment accounts – the majority held in names of other related individuals and entities – as well as multi-million dollar real estate transactions. We analyzed financial records to aid in identifying the source and use of funds and reviewed tax returns and traced property transactions to identify income sources and assets held during the period. Our investigation uncovered property transactions and bank and investment accounts not previously known to counsel. We issued a declaration addressing the source and use of over \$60 million in deposited funds and analyzing real property transactions of aggregate value in excess of \$25 million.
- Retained to conduct forensic internal investigations on behalf of two corporate clients. In one matter, we investigated the accounting department to evaluate whether corporate funds were misappropriated via payments to fictitious vendors, and we identified fictitious vendors and potential further diversion of company receipts through use of joint payees on vendor refunds. In the other matter, we investigated inventory shrinkage, whether the accounting department recorded “fictitious inventory” and whether the inventory was misappropriated by company personnel.
- Retained to evaluate an expert’s report and opinion rendered in connection with a company’s bankruptcy. Specifically, we evaluated the expert’s determination that the bankruptcy filing was the result of “unauthorized” payments and expenditures. We conducted a forensic review of the items identified and made certain determinations relating to the allocation of such items to one key executive of the company that was alleged to have been instrumental in causing the bankruptcy.
- Retained to investigate foreign joint venture minority partner’s assertions of financial statement manipulation and profit sharing under-reporting by domestic majority partner. We investigated working capital accounts, examined the quality of reported earnings and evaluated compliance with the profit sharing agreement and the foreign country’s GAAP.
- Retained to investigate alleged alter ego, unity of interest and lack of corporate separateness in piercing the corporate veil claims involving parent, intermediate holding company, subsidiaries and affiliates. We analyzed retrospective and current solvency. We examined flows and sources of funds between entities, observation of corporate formalities, preference over other creditors, whether inter-company transactions were at arm’s length and the relationship to plaintiff’s asserted economic harm.
- Retained to investigate board of directors’ assertions that an executive at a bank concealed problem loans to small businesses. We investigated the subject loan accounts and the financial institution’s internal controls. We uncovered kiting and weaknesses in internal controls, uncovered and quantified major undisclosed loan losses, and quantified damages.

For more information please visit our website:

www.duffandphelps.com

About Duff & Phelps

As a leading global independent provider of financial advisory and investment banking services, Duff & Phelps delivers trusted advice to our clients principally in the areas of valuation, transactions, financial restructuring, dispute and taxation. Our world class capabilities and resources, combined with an agile and responsive delivery, distinguish our clients’ experience in working with us. With offices in North America, Europe and Asia, Duff & Phelps is committed to fulfilling its mission to protect, recover and maximize value for its clients.

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