

Finances on Divorce

I offer fixed-fee introductory meetings and for many divorcing spouses, one question is normally high on the agenda:

What will I receive / have to pay on my divorce?

Whilst a straightforward question to ask, the answer is complex and it is crucial that you take specialist advice.

LMP Levison
Meltzer
Pigott



45 Ludgate Hill, London, EC4M 7JU

T: 020 7556 2400 | M: 07917 015631 | www.levisonmeltzerpigott.co.uk

Disclosure.

Before I can advise you about financial settlement options, I need to understand the extent of the family finances. You are obliged to provide 'full and frank' financial disclosure of all your property and finances, including bank and savings accounts, pensions, business interests and debts, as well as your income and outgoings.

Everything needs to be disclosed, whether in your sole name or if owned jointly with your spouse (or other third parties).

You will also need to produce a budget outlining your needs and obligations.

Computation.

Following disclosure, I can calculate the value of the family's 'pot'. I produce a document known as an Asset Schedule. This is a helpful tool in the negotiation process.

It is also important to distinguish between:

- Matrimonial assets: those that have built up during the marriage; and
- Non-matrimonial assets: any asset that originates before the marriage started or after it finished. Also gifts and inheritances (and as long as those monies have

not become 'mingled' with matrimonial monies.)

Sharing, needs and fairness.

In all cases, the Court will want to be satisfied that the financial outcome is fair.

In most cases, meeting the parties' financial needs will be the priority and all that is achievable upon the distribution of family wealth.

In bigger money cases, the 'sharing principle' dictates that couples should equally share the matrimonial assets on divorce. The non-matrimonial assets can only be "invaded" to meet the parties' needs.

The Law.

In evaluating the fairness of a financial settlement on divorce, the Court will consider several statutory factors including:

- **the income, earning capacity, property and financial resources of the parties;**
- **the financial needs, obligations and responsibilities of the parties;**
- **the marital standard of living;**
- **the parties' ages;**
- **the duration of the marriage;**
- **the parties' respective contributions to the marriage, bearing in mind that the Court places equal**

importance on contributions made by the homemaker and breadwinner.

Approach of the Court.

The Court must consider "all the circumstances of the case" meaning that each case is adjudicated and decided on its unique facts.

Family law is discretionary meaning that there is no right nor wrong answer. There are a range of possible outcomes.

My Role

This whistle-stop tour of finances on divorce cannot fully illustrate a nuanced and complicated process. It is therefore important that you take specialist advice. This will ensure that both of you leave the marriage with your fair share to meet your financial needs and those of any children.

If you need advice about finances on divorce or if you have any family related issue that requires careful attention, please contact [Kate at \[kstovold@LMPLaw.co.uk\]\(mailto:kstovold@LMPLaw.co.uk\)](mailto:kstovold@LMPLaw.co.uk) who can arrange a fixed-fee meeting with you.

For more information about the divorce process, or any other family related matter, please contact Kate for a confidential consultation: kstovold@LMPLaw.co.uk

