



## ***Litigation Support Services***

Polson Higgs provides substantive, highly skilled litigation support services for all financial and commercial disputes

**PolsonHiggs**  
BUSINESS  ADVISORS

■ *real people, better business*

# Polson Higgs is your dedicated litigation support partner

Financial and contractual disputes are increasing in today's high pressure world.

Polson Higgs shares your wish of achieving the best possible outcome from such disputes, whether you are the claimant, defendant, or counsel for either party. Working alongside legal counsel, we will work swiftly to produce expert, substantive technical evidence across a range of competencies. These include accountancy, finance, taxation, valuations and wider commercial expertise.

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## We are focused on achieving the best possible outcome

### Discover Polson Higgs' flexible and highly experienced litigation support service.

Polson Higgs is a group of dedicated chartered accountants and business advisors. We are supported by skilled staff and an extensive information network with local, national and global reach.

Polson Higgs will bring together the right mix of talents to work with legal counsel, providing expert evidence for all types of financial and commercial disputes.

Our expertise has been increasingly called on to provide support and put a value on what the aggrieved party believes they have lost as a result of the action, or inaction, of the other party.

Our specialists have been providing this service for over 20 years.

You can benefit from our service in any number of dispute scenarios. These could include:

- Farm partnership equity
- Business valuation
- Business dissolution
- Share valuations
- Matrimonial property
- Professional negligence or damages claim.

Polson Higgs can provide you with:

- Investigation of the financial circumstances surrounding a dispute
- In-depth financial analysis
- Valuations of shares, businesses and income streams
- Advice on formulation and quantifying of damages or loss claims
- Expert witness evidence required during litigation
- Assistance with negotiating settlements.

### OUR TEAM OF HIGHLY EXPERIENCED LITIGATION SUPPORT PRACTITIONERS:



■ **STEPHEN HIGGS**  
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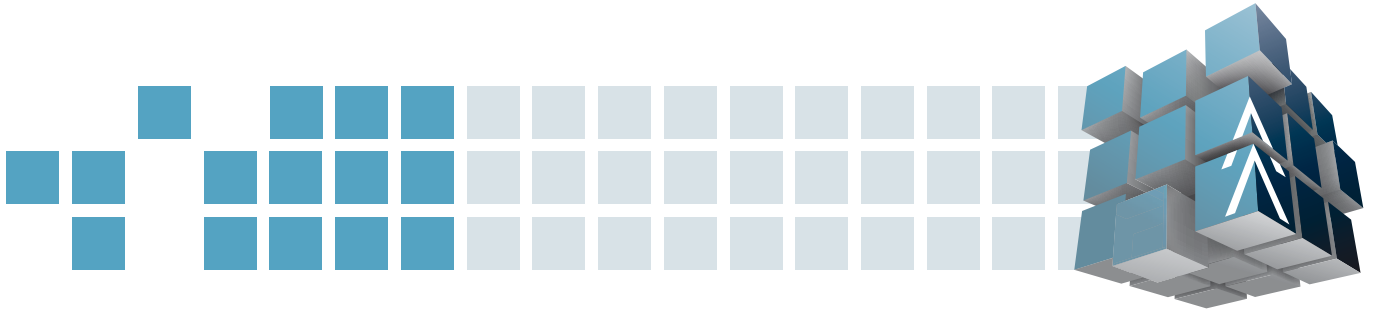


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## *Sadly, disputes often become entrenched*

### *Case 1*

The most frequent, and probably most straightforward, cases involve businesses which are simply no longer profitable enough to sustain a number of working owners. While the parties may have agreed on that, they often cannot agree on which owner or shareholder should sell to the other(s) and what their share is worth.

It is a real quandry. The seller sees that they are permanently giving up their right to future income from the business or shares, and expects to be well compensated. On the other hand, the purchaser believes they are buying out the balance of a poorly performing and risky business, for which they should pay very little.

In the simpler cases, an independent appropriate valuation would suffice. Sadly though, disputes often become entrenched.

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### *Case 2*

Polson Higgs recently acted as an expert witness, supporting legal counsel, for a one-third shareholder in a significant retailing business. The relationship between our client and the other two-thirds shareholder had deteriorated woefully. About all they could agree on was that they should no longer be in business together.

Despite concerns over several decisions which were being made, our client had virtually no influence because he was a minority shareholder – and a minority at the board table.

The company had been under-performing for several years (resulting in the dispute in the first place) and liquidation was a realistic prospect. With the shares being worth more by liquidation than was justified based on profitability, adopting this valuation approach on behalf of our client ultimately resulted in a settlement between the parties and a very good outcome for our client in the circumstances.

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### *Case 3*

A partner in an engineering business, while still a partner, liaised with a competing business for them to secure a significant construction job. He subsequently left our client's partnership to join the competitor. We worked with legal counsel to determine the outcome that would have occurred if the partner had not breached his fiduciary obligation. We prepared a financial model (on a discounted cash flow basis) of the financial loss sustained by our client partnership as a result. Our client received a healthy settlement amount.

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### *Case 4*

A client operated a small boutique hotel in Central Otago. The client obtained professional advice recommending that the hotel rooms be unit-titled and sold to obtain some equity, but the advisor failed to advise that the sales proceed would be taxable. By comparing the actual income achieved after tax with the alternative of not having subdivided, we found that our client was in a worse position as a result of following the advice (and lack of advice about the tax). We successfully established and supported a damages claim against the professional advisor.

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