

KordaMentha

Forensic

A different approach
to complex challenges.

kordamentha.com

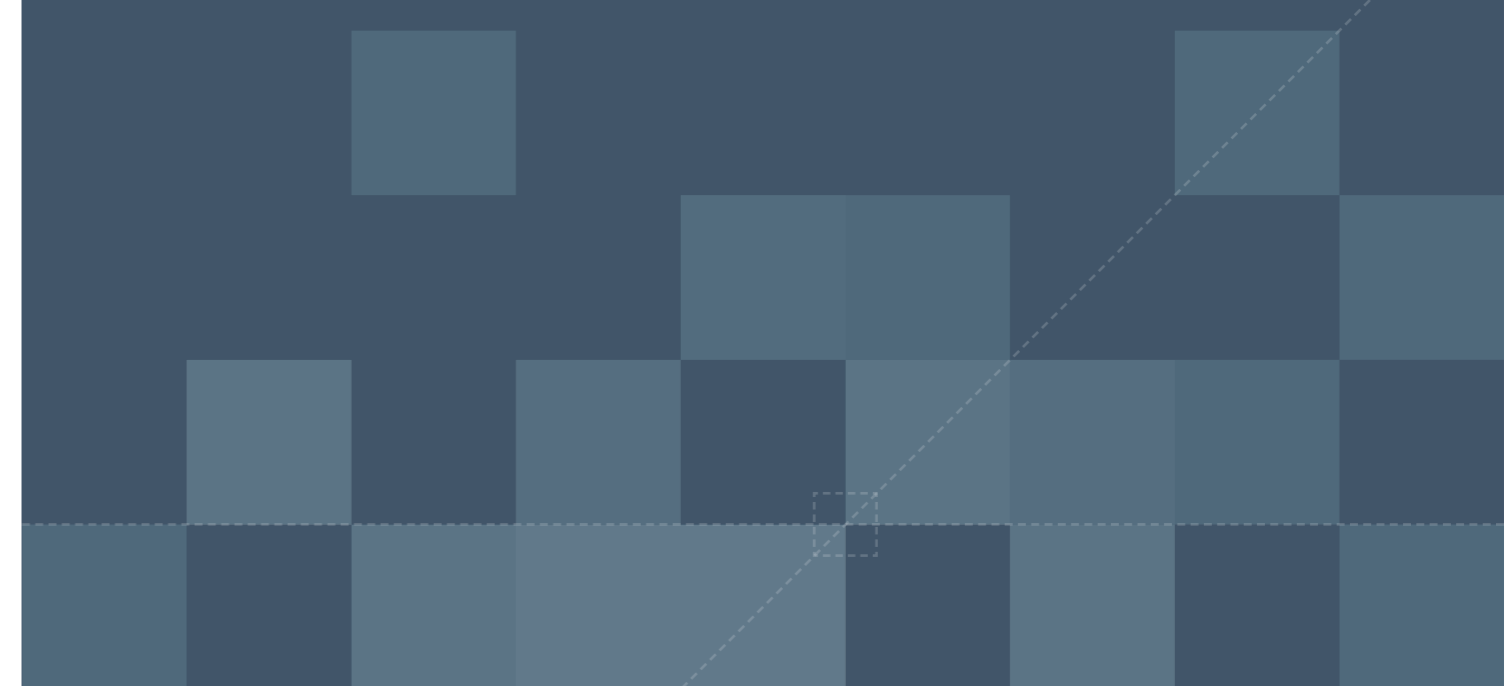


We bring a different mindset to complex disputes, investigations and other critical matters.

Corporate, legal, government and regulatory clients rely on us to go beyond examining the detail as we question the underlying assumptions and identify the relevant facts. We present our findings in an independent, transparent and clear manner in a report or as expert witness testimony at trial, before arbitral tribunals and in alternative dispute resolution proceedings.

In the modern corporate environment, identifying the facts from amongst the proliferation of accounting information, operational data, digital evidence and hard copy documents is a complex exercise. When the stakes are high, each source of evidence requires specialised expertise to identify, capture, analyse and present the facts. With a choice of multi-disciplinary specialists, we customise our approach utilising the combination of expertise most suited to our clients' high-stakes and sensitive matters.

We bring fresh, analytical and methodical thinking to all engagements. We identify the relevant issues, isolate key business metrics, evaluate the financial impact and deliver a full picture to our clients. This, combined with our genuine independence, professional expertise and qualifications, enables our people to examine each matter with a unique perspective.



How we can help you

Our clients rely on us to uncover, analyse and clarify facts and our experts are regularly called on to provide evidence in high-profile disputes and investigations. We typically help our clients in six key areas:



Dispute resolution

We provide an independent opinion on the quantification or valuation of the financial impact any dispute has on businesses and individuals. At heart, we are a firm of accountants with the highly developed skills and experience to uncover the story behind the numbers. With well-considered and technically-sound methodology and arguments, we focus on helping our clients understand the financial aspects of the matter in which they are engaged.

As one of the largest and most experienced groups of forensic accounting and technology experts in Australia, we are recognised as industry leaders in applying our knowledge and insights to commercial litigation, arbitration and disputes.



Investigations

We conduct physical and technological investigations of data and events to determine what occurred and who was involved, and to quantify any financial impact. Bringing a wealth of experience from corporate, consulting, regulatory and law enforcement roles across multiple jurisdictions, our experts deliver a comprehensive suite of investigation and risk management services. Our investigators and forensic accountants determine the facts around suspected fraud, misconduct or regulatory breaches. We also help organisations to proactively mitigate regulatory, reputational and financial risks associated with fraud, bribery and corruption.



Valuation

Our valuation experts integrate corporate finance, accounting and market research to provide clients with more than the intrinsic worth of an asset or business, providing a clearer picture to better balance opportunity with risk. Clients gain reassurance from the significant experience of our professionals and can rely on the team to provide an objective valuation of tangible and intangible assets for disputes, M&A and financial reporting.



Data analytics

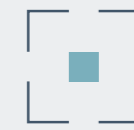
Whether it be for commercial advancement or legal proceedings, it all begins with data. Using sophisticated data technology, visualisations and algorithms, our specialists can easily access and perceive patterns within both unstructured data, such as words and communications in social media posts or emails, as well as structured data, such as the numbers on a spreadsheet or commercial operational data. Identifying critical revelations, we transform data into a valuable asset.

We make large, complex data sets more usable and insightful. One of the ways we achieve this is through developing interactive, visual data dashboards, made accessible to our clients via our secure cloud-based data portal. Our managed visualisation dashboards and tools empower our clients to analyse their data themselves and track trends over time. Our experts demystify the data, enable dynamic future projections and assist to transform the insights into meaningful action and growth.



eDiscovery

We support clients in managing the discovery and production of electronic documents to support litigation, investigations and regulatory actions. Our team streamlines the often costly and time-consuming process of electronic disclosure. We accurately and efficiently locate, search, consolidate and organise electronic evidence, no matter what the scale, using leading platforms such as RelativityOne and Nuix Discover. Using a cloud-based eDiscovery platform, we can extract commercial insights, eliminate extraneous detail and identify vital evidence with speed and efficiency.



Cyber and digital forensic

Our forensic technology team are specialists with broad expertise in identifying, preserving, analysing and managing electronically stored information for use in any investigation or dispute proceeding. This encompasses data capture, digital information analysis and electronic document processing.

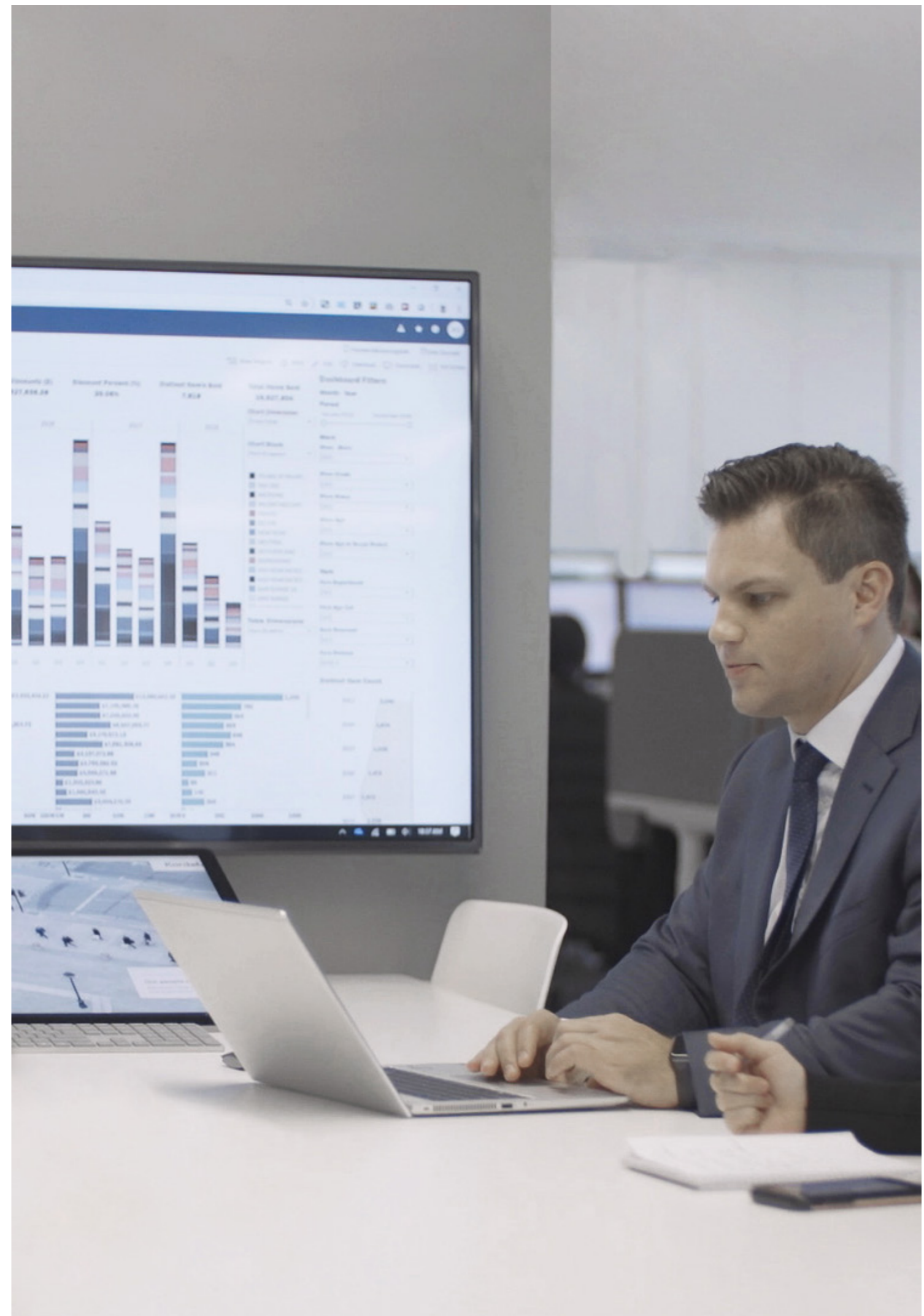
The team brings technical and investigative experience from law enforcement and corporate environments which enables them to provide robust cybersecurity consulting services. Our cyber forensic experts respond to and investigate cyber attacks and help our clients to protect their critical data and assets.

Our experience

We are a multi-disciplinary team combining years of industry experience to provide comprehensive evidentiary solutions.

Our team of accountants, data analysts, digital experts and former law enforcement officers is called upon to uncover, analyse and clarify crucial information. Typically, the KordaMentha forensic team is called upon when the commercial stakes are high, the facts are unclear and an acute evidentiary problem needs to be solved.

The facts we uncover can change the course of events. It can be the impetus to start conciliation, as legal evidence if matters proceed to court or as a basis for a financial settlement between warring parties. Sometimes our role is to provide the evidence to build a case; other times we act as a bridge between opposing parties to allow them to continue working together in the future.





Exposing overstated contractor claims

With construction cost blowouts in the hundreds of millions of dollars and two parties in a heated dispute, the Forensic team unlocked insights from hundreds of complex and interrelated delay and variation claims, helping to resolve a stalemate.

Outcomes

Using our customised model and visualisations, the principal was able to view the project at both a macro and micro level to investigate areas of the project that required clarification.

The principal and their legal representatives were in a position where they could replace suspicions and confusion with facts and evidence, based on the contractor's own data. The principal was now able to answer questions, such as:

- What was the basis for the claims and supporting evidence?
- Were any of the claims overstated or duplicated on the project?
- Did the contractor's own data support the claims made by the contractor?

Our analysis and visualisations were used as part of the negotiations between the parties, which helped the parties settle the matter on confidential terms.

Overview

Our client was the principal in a contract to construct a multi-billion-dollar project in the coal sector. The contractor claimed cost variations and delays worth over \$500 million, leading to a series of hard-fought claims and cross-claims between principal and contractor.

The principal was suspicious of the reasons underlying the delay and variation claims. However, given the sheer volume of the information that confronted them, they could not verify those suspicions.

Given the stakes, the principal chose KordaMentha based on our reputation for delivering complex analysis with forensic rigour in ways that a court can easily understand.

Our approach

The question asked of us was simple – were the contractor's claims supported by the contractor's own data? The solution was complex.

Bringing together a multi-disciplinary team of forensic accountants, data analysts and quantity surveyors, we converted all relevant information sources, including more than 20,000 hard copy timesheets, into a standard electronic format for comparison. The claims were matched, cleansed and integrated into a model that could be compared against the timesheet data and other independent data sources.

Investigation into directors' alleged corruption

The breadth of our forensic offerings – digital forensics, eDiscovery, investigations and dispute resolution – assisted our client to uncover the extent of interested party transactions which benefited certain rogue directors, and to successfully claim damages against the directors in legal proceedings.

Outcomes

- We identified seven entities which the rogue directors appeared to have beneficial interest in.
- We uncovered evidence of the rogue directors receiving benefits from the interested party transactions, and of employees who were moonlighting or enabled the interested party transactions to occur.
- Within a month of our engagement, we produced a preliminary findings summary report which assisted the client in commencing an action against the rogue directors and their related entities.
- Upon further engagement, our dispute resolution experts assessed the alleged damages suffered and provided expert witness evidence at trial. Where the Court established that liability and causation had been proven, the damages we assessed were largely accepted by the Court.

Overview

Our client had acquired a majority stake of a hostel and serviced apartment business including seven operating entities and a holding company. Management of the business remained the responsibility of the founding shareholder and his family members, who were minority shareholders and directors.

After the profit warranty was met, the business declined and eventually registered losses. Our client engaged us to investigate the affairs of the business and, based on our findings, a suit against the rogue directors was initiated. We were further instructed to assess the damages suffered by our client.

The Court found that the rogue directors had breached:

- Their fiduciary duties by diverting business opportunities to their own related entities
- Their duty to act in the best interest of the business by misusing business resources
- The no-conflict rule by procuring their own related entities to provide services to the business and then receiving personal benefits.

Our approach

We took swift action, attending the client's premises the same day following instruction to act. Our digital forensic team imaged eight computers and three servers. Physical documents collected were converted to electronic data by our eDiscovery team, with all electronic data then processed and hosted on our eDiscovery platform. The eDiscovery process enabled us to effectively identify documents that were relevant to the matter from amongst approximately 600,000 documents. It was also important to ensure that physical evidence was captured on-site to support factual circumstances of the investigations and substantiate evidence given in court. Our forensic collection of the evidence and the presentation of the facts at trial was crucial to the success of the litigation.

Our ability to provide an expert to quantify damages made it more efficient for the client to instruct us as we had intimate knowledge of the matter. However, to maintain our independence and minimise the threat of self-review, we utilised a different team and quantification expert within the firm.

We do more than just
provide the numbers.
We identify unforeseen
areas of interest, assess
and evaluate the impact
and advise the best path
for resolution.

What makes us different?

Applying a fresh perspective to each engagement, we select the most appropriate tool, or combination of tools, to uncover, analyse and clarify the facts with precision.



Uncover. Analyse. Clarify. It's how we find the facts.

Integral to our approach is the ability to clarify the bigger picture and place the information we uncover within context. We identify unforeseen areas of interest, assess and evaluate the impact of our discoveries and, crucially, outline the best path for moving toward resolution.

Faced with large and complex information sets, clients turn to us to extract the facts that are hidden in the vastness of their back-end operations. With specialised tools and proven workflows, our data analytics and forensic technology experts also help to identify vital digital data which may not be apparent by other means.

Our objective, independent and clear-headed approach

Clients rely on our objective, independent and clear-headed approach to bring structure and direction to what can often be an overwhelming situation.

Industry leaders

Our experts have been involved in some of the highest-profile matters and are recognised as industry leaders in Australia, the Asia-Pacific region and globally.

A diverse, multi-faceted team of experts

Finding an expert with the most appropriate experience is critical, and high-stakes, complex matters increasingly require experts from multiple disciplines to work together. Whilst our senior team are experts in their chosen fields, they bring together the right mix of skills required for individual engagements.

Technology

We invest heavily in technology and training to enable our experts to efficiently review very large volumes of data and make connections between disparate data sets that would otherwise be hidden.

A different mindset

We are analytical and methodical, but it is our creative way of thinking that sets us apart from our peers. Our experts bring fresh and independent thinking to all engagements, and the facts we uncover can change the course of events.



“KordaMentha came to be appointed because we were looking for the best creative, skilled minds to bring to the team.”

Litigation Funding client

Contact us

With eight offices across Australia, Jakarta and Singapore and strategic affiliations in the United Kingdom, Europe and America, our clients benefit from our global reach.

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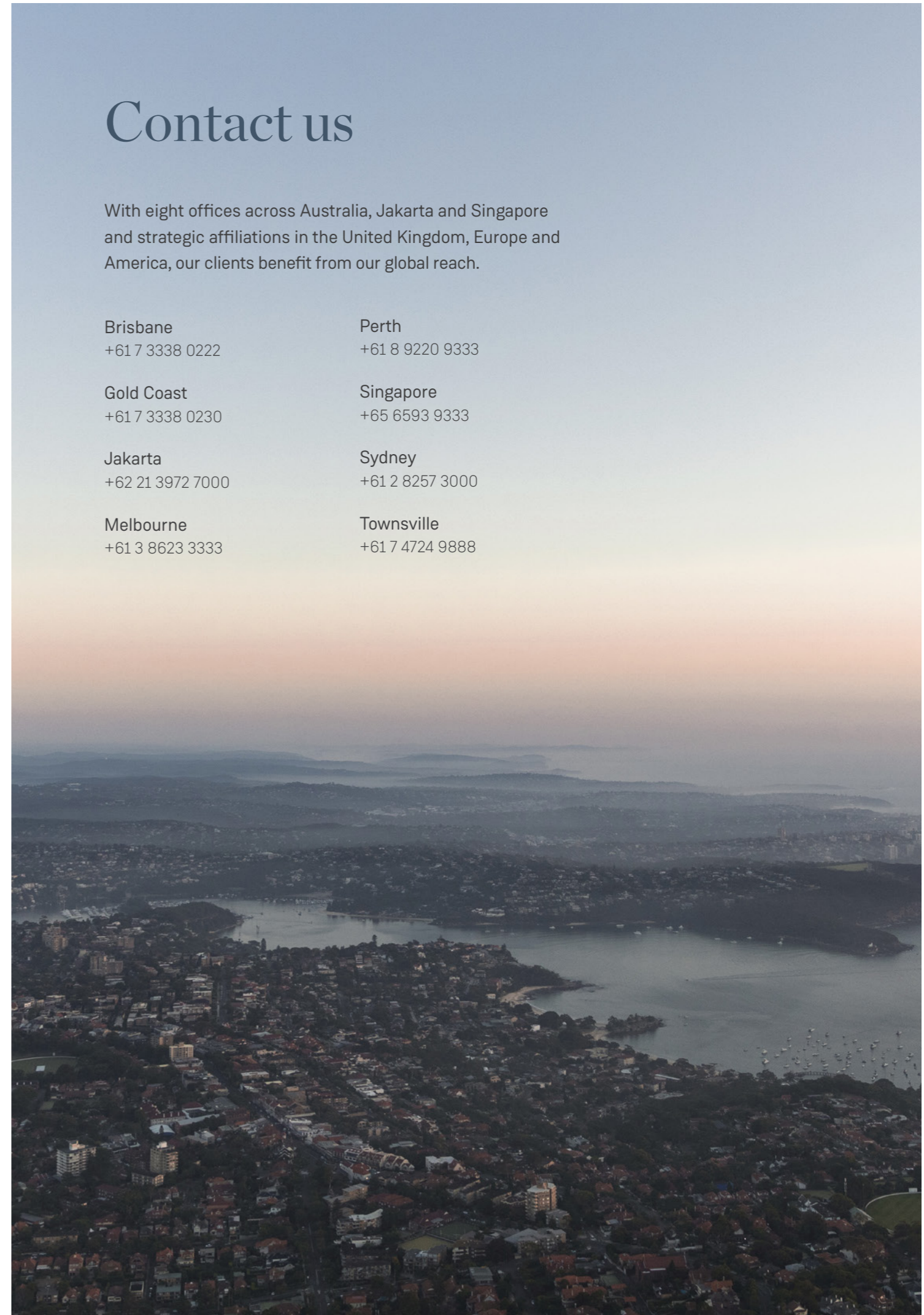
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