

What is so Important about Financial Statements in Divorces?

Written by Alex
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In a divorce case or domestic relations cases the Financial Statements can be the most important piece of evidence and that filling them out as accurately as possible can be one of the biggest steps.

In nearly every Probate Court domestic relations the parties financial information is relevant and is an important issue considered by the court. The Financial Statement is signed under the Pains and Penalties of Perjury that client's attorneys, the opposing side, the mediator and the Judge rely on these forms for pretty much every financial issue in court.

Child Support is based on these forms being correctly filled out and along the side with the cost of medical insurance, child care associated cost.

There has to be a complete listing of all assets and debts and a fair and equitable property division can not be determined without that.

For Alimony the income expenses have to be listed accurately

to decide what would happen and if any parties found to be understating what their income is or overstating their expenses; it can significantly change how a Judge would view that party and how the Judge will rule; many times significantly against the party if that is found out. It is unlikely that either party can reach an agreement without both parties having proper financial disclosures on their Financial Statement.

If the other side is not willing to provide a Financial Statement before one of you to sign an Agreement, it would be very advisable NOT to sign an Agreement without having a full and accurate Financial Statement signed under the Pains and Penalties of Perjury by the other side.

One of the things that can be done is if the full disclosure does not necessarily mean that there is a magic number that goes in every box. If there is things that need to be explained as an Attorney, or continually put footnotes or asterisks and attach other sheets of paper to explain how the figures that you arrived at.

So for example, if there is a straight forward 40 hour week, income is the same all the time, that would be listed very easily under Gross Income.

However; if there is overtime or bonuses that have changed week to week or month to month or year by year; you still want to put that down as accurately as you can, but you might want to do an explanation of where you came up with that figure; what your

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expectations are and so forth and might need a longer explanation then is able to be put into the box.