



## FORENSIC ACCOUNTING SERVICES

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The Forensic Accounting Services practice of Alan Gray, Inc. engages in detailed analysis of accounting activity with a focus on risk and exposure evaluation. Effective solutions are provided to complex business problems that result in improved client profitability and minimized submitted loss exposures. The staff, composed of Certified Public Accountants (CPAs) and Certified in Financial Forensics (CFFs) are skilled in evaluating claims within the framework of today's complex insurance coverages.

### Forensic Accounting Services Can Include:

#### Business Interruption Loss Claims Analysis

- Determine continuing operating expense versus non-continuing expense coverage
- Differentiate period of indemnity from the period of interruption
- Define the appropriate multiplier for measurement purposes
- Review and analyze extra expenses
- Understand and calculate the impact of co-insurance

#### Fidelity Loss Reviews

- Audit and report on the existence of embezzlement and quantify losses
- Assess the adequacy of the systems of internal control
- Perform fraud prevention, detection and investigation analysis

#### Litigation Support

- Provide expert testimony
- Evaluate analysis, interpretations and strategies on financials and other data
- Establish business valuations
- Furnish discovery, trial and deposition assistance
- Assess case strategies and evaluations

### Sample Engagements:

- A major international financial service company needed a forensic accounting review to quantify a misappropriation by a reinsurance broker. Over \$100,000,000 in misappropriated funds was identified and Alan Gray, Inc.'s staff were instrumental in assembling the required support that led to a substantial recovery and prosecution.
- A Florida company specializing in glaucoma diagnosis and treatment suffered a business income loss in 2004 due to hurricane Francis. The insured submitted a claim of \$1,172,000 that was examined and found to be overstated. This resulted in a settlement of \$541,000, a savings to the carrier of 54%.
- A technology-based manufacturer in Rhode Island claimed an employee theft loss of \$1,100,000. The misappropriation was reconstructed and the claim settled for \$600,000 totaling a savings to the insurance carrier of \$500,000 (45%).
- An apartment complex submitted a loss of rent claim of \$280,000 due to hurricane Katrina. A thorough evaluation demonstrated that the loss was only \$222,000. This resulted in a savings of 20% to the carrier.

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