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Divorce battle over offshore assets to be used as a test case in Appeal Court

A costly divorce battle brought by the wife of a wealthy City trader who is demanding a share of his alleged offshore assets has been referred to the Appeal Court as a test case.



High Court Photo: JOHN TAYLOR

By Victoria Ward

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Sonia Goldstone claims that a 2006 deal struck by her husband Sampson to transfer assets worth £7.5 million to various Lichtenstein-based companies was "a sham".

Her barrister, Barry Singleton QC, argues that the assets actually remain in Mr Goldstone's "beneficial ownership" and so should therefore be added to the pot when the wealth of the marriage is calculated.

Mr Goldstone, 35, denies the accusations and the Lichtenstein companies involved have also weighed in, insisting that the disputed assets are theirs.

Lord Justice Thorpe yesterday (FRI) directed a daylong Appeal Court hearing, questioning how such cases, which he remarked had become "commonplace" could be handled by the Family Division.

The hearing will hear applications by the Lichtenstein companies as well as an appeal by Mrs Goldstone.

[One in ten men would hide assets from partner in divorce \(http://www.telegraph.co.uk/news/uknews/law-and-order/8065214/One-in-ten-men-would-hide-assets-from-partner-in-divorce.html\)](http://www.telegraph.co.uk/news/uknews/law-and-order/8065214/One-in-ten-men-would-hide-assets-from-partner-in-divorce.html)

[Divorce 'north-south divide' revealed \(http://www.telegraph.co.uk/news/uknews/6124840/Northern-men-get-more-favourable-divorce-payouts-research-shows.html\)](http://www.telegraph.co.uk/news/uknews/6124840/Northern-men-get-more-favourable-divorce-payouts-research-shows.html)

[Landmark ruling on divorce \(http://www.telegraph.co.uk/news/uknews/7916128/Tchenguiz-brothers-lose-papers-battle-in-divorce-dispute.html\)](http://www.telegraph.co.uk/news/uknews/7916128/Tchenguiz-brothers-lose-papers-battle-in-divorce-dispute.html)

[Polo playing dotcom tycoon forced to pay wife £7 million in divorce settlement \(http://www.telegraph.co.uk/news/uknews/7907054/Polo-playing-dotcom-tycoon-forced-to-pay-wife-7-million-in-divorce-settlement.html\)](http://www.telegraph.co.uk/news/uknews/7907054/Polo-playing-dotcom-tycoon-forced-to-pay-wife-7-million-in-divorce-settlement.html)

[Judge orders warring hedge fund couple to stop fighting as they will never be poor \(http://www.telegraph.co.uk/news/uknews/7895181/Judge-orders-warring-hedge-fund-couple-to-stop-fighting-as-they-will-never-be-poor.html\)](http://www.telegraph.co.uk/news/uknews/7895181/Judge-orders-warring-hedge-fund-couple-to-stop-fighting-as-they-will-never-be-poor.html)

The judge also decried the "complex litigation" and the "horrific costs bills" already amassed on both sides.

He told London's Civil Appeal Court: "All this wife wants is what wives always want and that is a recognition by the judge that money ostensibly held by the offshore entity is in fact the property of the husband.

"The wife seeks a declaration that the husband is the beneficial owner or controls all the assets held by (the Lichtenstein companies) which in any way emanate from him."

He said it was Mrs Goldstone's case "that the 2006 agreement was just a sham and that, in reality, the money was really his" and that her husband "entered into sophisticated financial arrangements to put his assets offshore".

He added: "The (Lichtenstein companies) are essentially the offshore vehicles. The wife wants to say that all the assets in the offshore entity are the husband's.

"It may be time that the Court of Appeal considers this situation which has recently become fashionable. How shall the Family Division handle this commonplace situation?

"Is it really apt to introduce an independent claim by the wife against the asset holders, seeking relief against them, when all she really wants is relief against the husband?"

A hearing in the High Court Family Division to hammer out the financial aspects of the divorce will go ahead in December as planned.

Mr Goldstone, who now lives in Monaco, and his wife who lives in west London, have two children.

A recent survey found that at least one in 10 men would attempt to hide their assets from their ex-partners to avoid having to surrender 50% in court.

Anne-Marie Hutchinson, a family law solicitor with London-based Dawson Cornwell, highlighted the increasing number of high profile cases in which the court has found that assets for which control had been completely passed on were still legally owned by the husband.

She said: "As financial life develops, the instructions and vehicles that are used to separate the real owner from his assets are becoming more complex.

"In this case, the judge obviously wants some guidance as to ownership which will then become law. It is therefore a very significant case."

In 2007, senior judges called for a review in divorce law after John Charman, an insurance underwriter, to pay £48 million to his former wife, Beverley – the biggest divorce payment in British legal history.

They said that when the law lords ruled on *White v White* in 2000 they had not recognised that "a new financial era dominated by hedge funds, private equity funds, derivative traders and sophisticated off-shore structures meant that very large fortunes were being made very quickly".

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