

Non-disclosure and breach of Court Orders: How an 83 year old millionaire of ‘good character’ ended up in prison

A family court can sentence someone to prison for contempt of court. This can occur where there has been wilful disrespect of legal authorities or where a party has failed to comply with a court order. Although family proceedings are in the family court and not in the criminal court, this does not absolve parties from criminal culpability and sanctions. The recent case of **Hart v Hart [2018] EWHC 549** illustrates that breaching or not complying with a court order can have very serious repercussions.

In this case, His Honour Judge Wildblood QC found the former husband, John Ralph Hart, to be in serious contempt of court. The matter before him followed from family court financial proceedings and Chancery proceedings in which the husband had failed to comply with multiple financial disclosure orders and persistently refused to co-operate.

At the time of Karen Jayne Hart and John Ralph Hart’s divorce, the marital wealth was valued at £9.375 million. In the final order of 2015, 38% (£3.5 million) was awarded to the wife. This included the husband’s shares in a company called Drakestown Properties Limited, and formed a substantial part of the wife’s award. The husband, however, delayed the transfer of shares to the wife and a further Court Order was required to allow the wife possession of the company premises. When the husband’s staff had vacated the premises, they removed all management records with them, save for two bank statements and a collection of licences and leases on units that the company was letting out. The wife thus made another application in 2016 to receive the company documentation. The husband did not produce it. There was a third application in 2017 where the husband also did not produce the information as ordered. The hearing before HHJ Wildblood QC was the fourth time the parties were before the courts on this issue.

It was found that the husband had been dishonest as part of the divorce proceedings, where he had failed to disclose his interest in a family trust worth £5.5 million. His conduct in the handover of Drakestown Properties Limited was held to be incredibly poor, despite multiple court hearings asking for disclosure of information. He had failed to comply with the court order which required the following:

“To take all steps necessary (including, for the avoidance of doubt, the provision of information and documentation and the notification of third parties of the cessation of his interest in Drakestown Properties Ltd) to ensure that the Applicant is forthwith hereafter able to conduct the efficient and effective management of Drakestown Properties Ltd and its assets”.

The judge acknowledged that the husband in the case was 83 years’ old, a successful businessman and of good character (i.e. no previous criminal convictions). He also acknowledged that a prison sentence would have a “very marked effect” on him. Notwithstanding this, the judge gave the husband a sentence of 14 months’ imprisonment.

This judgment highlights the powers of the court when there is a persistent failure to comply with court orders. It sends an important message. Although imprisonment is still seen as a last resort, there are various other methods of enforcement available (such as attachment of earnings orders, third party debt order and charging orders) to ensure compliance with court orders. If you are experiencing difficulty forcing someone to comply with a family court order, whether domestic or international, please contact our team on enquiries@iflg.uk.com [2] or +44 (0)20 3178 5668.

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