



UKFIU

UK Financial Intelligence Unit



SARs REPORTER BOOKLET

March 2023

THIS IS A UK FINANCIAL INTELLIGENCE UNIT (UKFIU) product for reporters of Suspicious Activity Reports (SARs), produced in line with the National Crime Agency's commitment to share perspectives on the SARs regime.



NCA

National Crime Agency



Overview



This document is produced by the UKFIU which has national responsibility for receiving, analysing and disseminating financial intelligence submitted through the SARs regime.

This booklet contains a sanitised summary of feedback from law enforcement agencies (LEAs) on their use of SARs and includes pertinent information and updates from the UKFIU.

This booklet is aimed at:

- sharing perspectives on the use of SARs with regime participants
- sharing and encouraging best practice amongst reporters
- providing a feedback mechanism to the UKFIU about the operation of the regime.

More information about the UKFIU, the SARs regime and further guidance notes can be found at the NCA website www.nationalcrimeagency.gov.uk.

Don't forget to also follow us on LinkedIn and Twitter (NCA_UKFIU).

We would appreciate your feedback on the effectiveness and format of this document. Please email any comments to ukfiufeedback@nca.gov.uk.



Disclaimer



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Foreword

Welcome to the March 2023 edition of the UKFIU's Reporter Booklet aimed at all SAR reporters.



With this publication we aim to provide a snapshot of some of the excellent examples we receive highlighting the work of law enforcement agencies in utilising SAR intelligence to initiate investigations and informing existing ones.

While it is impossible for us to provide feedback on every SAR that we receive, I do hope that that this booklet – as well as other UKFIU products – go some way in indicating the value of SARs.

SARs are a **critical** intelligence resource for law enforcement – they provide information like phone numbers, addresses, company details, investment activity, bank accounts and details of other assets. They have been instrumental in identifying sex offenders, fraud victims, murder suspects, missing persons, people traffickers, fugitives and terrorist financing.

These Reporter Booklets focus predominantly on sanitised case studies. News relating to the UKFIU/SARs regime features instead in the UKFIU magazine, *SARs In Action*, available via the [NCA website](#).

Don't forget to also subscribe to the UKFIU podcast – this is available on a number of streaming sites including Spotify, Apple Podcasts, Amazon Music and Audible. The most recent podcast was issued in February 2023.



Vince O'Brien,
Head of the UKFIU

[CLICK HERE](#)

UKFIU Assistance

For information or assistance with submitting SARs or SAR Online enquiries, please visit www.nationalcrimeagency.gov.uk or contact the UKFIU on 020 7238 8282.

When contacting the UKFIU please have available your SAR reference number if applicable. If you wish to make a SAR by post you should address your SAR to: UKFIU, PO Box 8000, London, SE11 5EN. NB: post is slower than SAR Online and therefore it will take longer for your SAR to be processed. You will not receive an acknowledgement if you use post.

General UKFIU matters may be emailed to ukfiusars@nca.gov.uk. All Defence Against Money Laundering (DAML) request queries are only dealt with via email. Should you have any queries please email DAML@nca.gov.uk.

Case Studies

A review of case studies provided by law enforcement agencies (LEAs) and other end users¹ of SARs demonstrates how they continue to be instrumental in instigating and supporting investigations to tackle a wide range of the highest priority threats identified by the National Strategic Assessment of Serious and Organised Crime (NSA).

Money Laundering

A reporter submitted a DAML SAR due to suspicious behaviour on a customer's business account, which was in receipt of a high value transaction from an unconnected business based overseas which the customer was unable to account for. The UKFIU fast-tracked the DAML request to the relevant LEA whose investigations identified multiple accounts belonging to the customer which had received suspected fraudulent funds and more than one had received confirmed third party fraudulent funds. **An AFO was granted for more than £80,000** and enquiries are ongoing.

A DAML SAR was submitted due to reporter suspicions that their customer's student account displayed behaviour typical of money mules. Large funds were deposited via money service businesses and immediate deposit machines, methods often used to launder funds to avoid being questioned on the origins of funds, alongside multiple third party debits. Other customer's accounts were also reported due to displaying the same activity with over £45,000 in cash being deposited into one customer's student account over a six month period. **Over £30,000 has been frozen and enquiries are ongoing, as it is suspected that the accounts may be involved with international underground banking.**

A reporter submitted a DAML SAR due to concerns of money laundering on a customer's business account, primarily funded by cash deposits and credit adjustments which did not match the stated nature of the business. The investigating LEA determined that the customer and funds held within the account were linked to a high-level money laundering network and an **Account Freezing Order (AFO) was granted for over £70,000**. Enquiries are ongoing.



Vulnerable Persons

A reporter was concerned when a vulnerable customer attempted to make multiple payments to an account linked to a previous SAR. The reporter was able to uncover the recipient's dissolved company that had been suspected of investment fraud. Funds in the recipient's account were suspected of coming from vulnerable customers due to payments being inconsistent with the activity on vulnerable customers' accounts. A DAML SAR was submitted to return the funds of this account. The UKFIU refused the request following contact with the relevant LEA. This resulted in an AFO on funds over £10,000 and the return of funds over £5,000 to vulnerable customers.

A SAR was submitted after a reporter noticed unusual high value transactions on a vulnerable customer's account, as well as updates on the account that did not match customer checks performed by the reporter. **The SAR was fast-tracked by the UKFIU to the relevant LEA,** who did a welfare check on the customer, revealing that their phone had been hacked and they had lost access to a social media account. Safeguarding advice and a fraud caseworker were provided to the vulnerable customer, as well as the reporter compensating the customer's account for financial losses.

A vulnerable person was identified in a SAR as being a victim of rogue traders due to multiple large payments being made from their account not being in line with their usual transactions. Through an examination of the SAR, the relevant LEA was able to identify an account belonging to the suspect. LEA enquiries found that the victim had paid the suspect over £400,000 resulting in the LEA obtaining an AFO and conducting a criminal investigation. **Multiple suspects have been arrested and charged.**

A SAR relating to a vulnerable person believed to be a victim of a potential romance scam was fast-tracked by the UKFIU to the relevant LEA, with the sums involved exceeding £50,000. During its investigation, the LEA examined multiple SARs and came to the conclusion that the original suspect did not exist, and further determined the identity of the real suspect. An AFO was obtained, and a subsequent DAML request refusal ensured that the funds remained frozen. **Further SARs have enabled the LEA to identify additional suspects and victims.** Enquiries are still ongoing.



A reporter's fraud team began to have concerns for a vulnerable octogenarian customer (the victim) after they purchased a high value of foreign currency over a short period of time. When questioned about this, the victim gave inconsistent reasons for these large transactions. This resulted in a SAR that was fast-tracked by the UKFIU to the relevant LEA. A welfare check was conducted by the LEA, where it was uncovered that **the victim had lost over £80,000 of their life savings to courier fraud. The victim was safeguarded, given fraud advice, and support was provided by their family to attempt to reclaim the lost funds.**



A SAR was submitted after the reporter noticed unusual transactions on a vulnerable customer's (the victim) account and the victim's refusal to engage with the reporter's additional checks. The **UKFIU fast-tracked the SAR** to the relevant LEA. The LEA carried out a welfare check which revealed the victim had fallen prey to bank and police impersonation fraud, resulting in a loss of over £15,000. This had caused serious physical and emotional distress to the victim. The victim was safeguarded, with fraud prevention advice provided by the LEA and further liaison with the victim's family to support them in pursuing the reclamation of lost funds. A risk assessment was shared with adult services due to the ongoing impact of the fraud.

Fraud & Drugs



A reporter submitted a DAML SAR due to suspicions that funds exceeding £1m in a customer's account had originated from an international investment fraud scheme linked to a subject the reporter previously declined for an account. The UKFIU refused the DAML request and fast-tracked intelligence to the relevant LEA who opened an investigation. The LEA successfully obtained an AFO, and determined that the company was a front/shell used purely for laundering criminal funds. This ultimately led to a **successful forfeiture for over £200,000**.

A reporter submitted a DAML SAR following suspicions of benefit fraud. The reporter had performed additional checks on a customer whose funds did not match information on their declared income. The checks resulted in the reporter ending its relationship with the customer and the submission of a DAML SAR to return funds. The UKFIU allowed the DAML request, allowing the relevant LEA to investigate and **the forfeiture of the customer's funds in excess of £25,000**.

A DAML SAR was submitted due to reporter suspicions on the movement of money in a business account. The account transactions were inconsistent with the nature of the business and the reporter was unable to determine the source of funds. The UKFIU fast-tracked the DAML SAR to the relevant LEA who determined that the account holder had connections to an associate with a history of drug supply and organised crime group activity. The DAML was refused and an **AFO was granted for over £120,000** with enquiries ongoing.

SAR Glossary Codes (as of June 2022)



Request for a Defence under POCA/TACT	
XXS99XX	Request for a defence under POCA
XXGVTXX	Request for a defence under POCA for £3,000 or less
Tick 'Consent' and submit under TACT	Request for a defence under TACT
Money Laundering	
XXPRFXX	Relates to person(s) providing professional services or specialist knowledge that wittingly or unwittingly facilitates money laundering
XXSNEXX	Money laundering and linked to sanctioned entities
XXTBMLXX	Trade-based money laundering
XXPROPXX	Relates to purchases and rental of real estate property
XXVAXX	Virtual assets
XXILTXX	Illegal lotteries - operating or facilitating illegal lotteries
XXMLTMXX	Money laundering through markets
Predicate Offences	
XXTEOSXX	Tax evasion offshore
XXTEUKXX	Tax evasion UK-based
XXF1XX	Proceeds from benefit fraud
XXF2XX	Excise evasion (duty on alcohol, tobacco, fuel etc.)
XXF3XX	Corporate tax evasion (tax evasion by businesses, corporations)
XXF4XX	Personal tax evasion (tax evasion by individuals e.g. income tax)

XXF5XX	VAT fraud e.g. carousel - Missing Trader Intra-Community (MTIC) fraud
XXF9XX	Frauds against private sector
XXD9XX	Bribery and corruption
Politically Exposed Persons (PEPs)	
XXD7XX	International PEPs
XXD8XX	Domestic PEPs
Money Laundering/Terrorist Financing Relating to Vulnerable Persons	
XXV2XX	Risk to vulnerable adults
XXV3XX	Risk to children - including sexual abuse and exploitation
Other Predicate Offences	
XXFIREXX	Firearms
XXOICXX	Organised immigration crime
XXMSHTXX	Modern slavery and human trafficking
XXDRUXX	Illegal supply of drugs
Projects/Other	
XXPCPXX	Counter-proliferation
XXVICTXX	Where the purpose of the activity is to return money to a victim of crime
XXSATXX	Relating to suspected fraudulent use of the HMRC Self-Assessment Tax Refunds system
XXGPSXX	Relating to suspected fraudulent use of Government Priority Schemes established as a result of COVID-19
XXCVDXX	Relating to any suspicious activity connected to COVID-19