



# UKFIU

UK Financial Intelligence Unit



# SARs REPORTER BOOKLET

June 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](http://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](mailto:ukfiufeedback@nca.gov.uk).



## Disclaimer



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# Foreword



Welcome to the June 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 May 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](http://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](mailto: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](mailto:DAML@nca.gov.uk).

# Case Studies

A review of case studies provided by law enforcement agencies (LEAs) and other end users<sup>1</sup> 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

The UKFIU fast-tracked a DAML SAR to the relevant LEA as the reporter wished to exit their relationship due to suspicion their customer was laundering the proceeds of crime through their business account. Suspicion was flagged due to the scale of cash checking and cash deliveries received which was not typical of a business of its size. The LEA's investigation revealed that the business was **tax evading and appeared to be a shell company set up to launder cash**. An Account Freezing Order (AFO) was obtained and **more than £1.5m was forfeited** as a result.

A reporter submitted a DAML SAR after it received a **large international payment worth over £200,000 from a subject based in a high risk jurisdiction**. The reporter was suspicious as the subject had listed no contact details apart from two addresses, neither of which made sense. The UKFIU refused the DAML request and disseminated the intelligence to the relevant LEA. The LEA found no existing information regarding the subject and was **able to secure an AFO**. Enquiries are ongoing.

A reporter was made aware that the subject was under an existing LEA investigation into money laundering and bribery. The subject had been transacting in an unusual and suspicious manner, leading the reporter to submit a DAML SAR. The UKFIU refused the DAML request and found additional SARs relating to the subject, disseminating this intelligence to the relevant LEA. The LEA **commenced a criminal investigation and was able to secure an AFO for almost £95,000**. The LEA was also able to execute a Proceeds of Crime Act (POCA) warrant at the subject's address and recover a significant amount of cash. Enquiries are ongoing.



A DAML submitted to the UKFIU using a glossary code associated with modern slavery and human trafficking (MSHT) concerns was fast-tracked to the relevant LEA for investigation. The individual was paying cash into their account several times a day through money service businesses (MSB) and automated cash deposit machines, **a method commonly used to avoid being questioned on the origins of funds**. Funds were then rapidly transferred to a person under suspicion of being involved in MSHT which the LEA confirmed through intelligence. **An AFO was obtained and more than £35,000 remains frozen with enquiries ongoing.**



The UKFIU fast-tracked a DAML SAR to the relevant LEA for investigation after the reporter suspected a customer was using their business as an intermediary to receive the proceeds of crime. The account was funded by a high volume and value of transfers from external accounts, the majority of which were withdrawn immediately in cash. The **DAML SAR provided valuable intelligence to the LEA relating to the nature of the customer's cash withdrawals** enabling the LEA to make further enquiries. Further checks of the SAR database revealed multiple SAR submissions on the customer relating to suspicion of fraud and the sale of counterfeit goods. **The LEA obtained an AFO and more than £250,000 has been frozen pending further investigation.**

# Fraud & Drugs

A reporter submitted a SAR due to concerns that the subject was transacting in an unusual manner, with numerous credits followed shortly by debits to third parties, some of which were in cash. The UKFIU disseminated intelligence to the relevant LEA whose enquiries determined that the **subject was making fraudulent submissions to take advantage of a government scheme**. The SAR provided important details on the subject and enabled the LEA to successfully obtain an **AFO for over £500,000**, and the subject has now been served a notice to forfeiture.



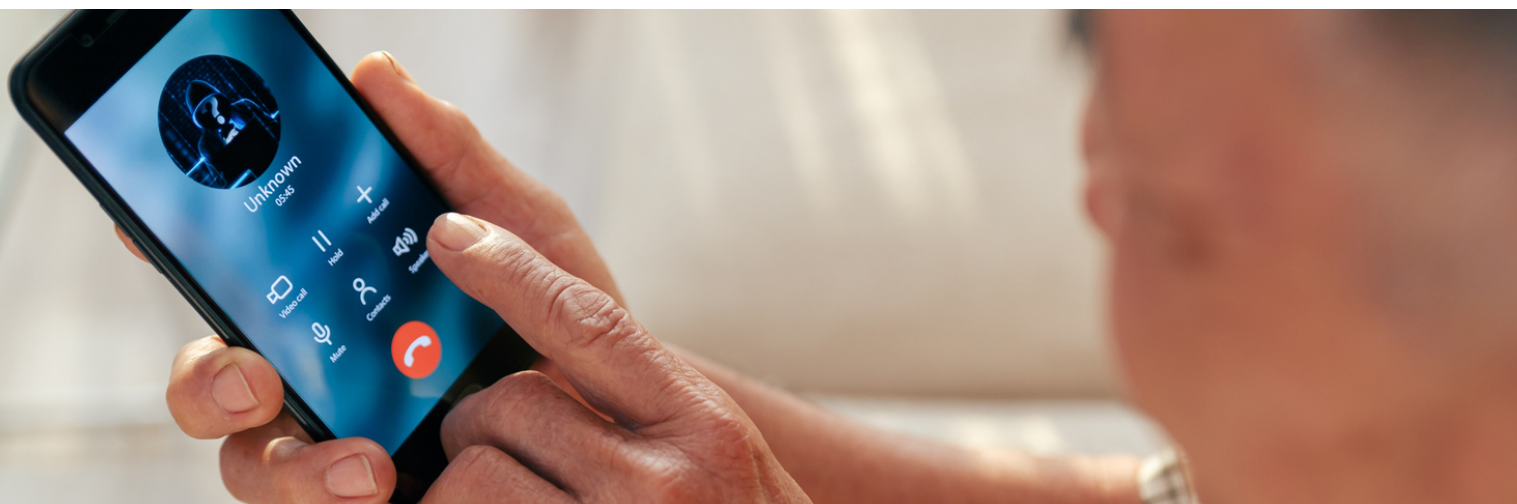
A reporter noticed unusual transactions on a subject's account indicative of money laundering. The reporter found that the **subject was on an international 'Most Wanted' list for drug trafficking** and had already been sentenced abroad to several years in prison. The reporter submitted a DAML SAR in order to pay away the remaining balance. The UKFIU refused the DAML request and disseminated the intelligence to the relevant LEA who **successfully obtained an AFO for over £70,000**. The subject was sentenced to multiple years in prison in the UK and will be subject to a further POCA hearing.

A reporter submitted a DAML SAR after noticing that the subject had been transacting in a way which is synonymous with money laundering. The reporter established that the subject had been sentenced to a lengthy custodial sentence for illegal drug supply a few years ago and that they were **likely using the account for laundering drug money**. The UKFIU refused the DAML request and disseminated intelligence to the relevant LEA. As a result of this intelligence, the LEA **obtained an AFO for over £4,000** and is currently in the process of seizing this money under the Proceeds of Crime Act.

# Vulnerable Persons

A reporter noticed that an elderly subject made a series of cash withdrawals with no reasonable explanation, the reporter was concerned at the potential vulnerability of the subject and submitted a SAR which was fast-tracked to an LEA. The subject later made a series of suspicious cash deposits and withdrawals, which led the reporter to submit a DAML SAR. The UKFIU refused the DAML SAR, and the intelligence contained in both SARs **enabled the relevant LEA to obtain an AFO to safeguard funds amounting to almost £10,000. These funds were returned to the subject's family.**

A SAR was submitted following concerns by the reporter that a **child customer was being used as a money mule** after their account received funds in excess of £3,000. The UKFIU fast tracked the SAR to the relevant LEA who carried out a welfare check on the child customer. The child customer said they had lost their bank card before the account was credited with the funds. Other factors led the LEA to believe the child customer to be vulnerable to exploitation. A risk assessment was performed by the LEA which was shared with local children's services to **further protect the child from exploitation.**



A SAR was submitted after a vulnerable octogenarian customer (vulnerable person) purchased over £9,000 in various foreign currencies from the reporter. The UKFIU disseminated intelligence to the relevant LEA, who **carried out a welfare check, revealing that the vulnerable person had been the victim of courier fraud** and lost over £40,000 through various currency and non-currency purchases. The **vulnerable person was safeguarded and their family was engaged with to prevent future loss.**

# Other



A DAML SAR alerted law enforcement to an account containing suspected criminal funds. The subject had received unusually large and irregular salary payments from an unrelated company, which were then disseminated to a third party. The DAML request was submitted to the UKFIU when the subject sought to make another large payment, as the reporter was concerned that the subject was being used as an intermediary to launder money. The **DAML request was refused and over £300,000 was subsequently frozen and forfeited** on the grounds of being the proceeds of crime. As a result of the investigation, the relevant LEA identified further subjects that are now being criminally investigated for bribery and corruption.

A reporter became suspicious after noticing that the subject had made a series of large cash deposits followed shortly by debits from their account. These transactions were not in line with the subject's profile, **raising money muling concerns**. The reporter submitted a DAML SAR which was refused by the UKFIU. LEA enquiries determined that the funds were likely to be the proceeds of crime. **The LEA secured an AFO for almost £20,000**. Enquiries are ongoing.

A reporter submitted a DAML SAR, after they discovered that the subject was involved in a **high profile case involving illegal firearms dealing**. The subject sought to transfer over £10,000. The reporter suspected that these funds were the proceeds of crime. The UKFIU refused the DAML request enabling the relevant **LEA to obtain an AFO for the entire amount**. Enquiries are ongoing.

# SAR Glossary Codes (as of June 2022)



<b>Request for a Defence under POCA/TACT</b>	
<b>XXS99XX</b>	Request for a defence under POCA
<b>XXGVTXX</b>	Request for a defence under POCA for £3,000 or less
Tick 'Consent' and submit under TACT	Request for a defence under TACT
<b>Money Laundering</b>	
<b>XXPRFXX</b>	Relates to person(s) providing professional services or specialist knowledge that wittingly or unwittingly facilitates money laundering
<b>XXSNEXX</b>	Money laundering and linked to sanctioned entities
<b>XXTBMLXX</b>	Trade-based money laundering
<b>XXPROPXX</b>	Relates to purchases and rental of real estate property
<b>XXVAXX</b>	Virtual assets
<b>XXILTXX</b>	Illegal lotteries - operating or facilitating illegal lotteries
<b>XXMLTMXX</b>	Money laundering through markets
<b>Predicate Offences</b>	
<b>XXTEOSXX</b>	Tax evasion offshore
<b>XXTEUKXX</b>	Tax evasion UK-based
<b>XXF1XX</b>	Proceeds from benefit fraud
<b>XXF2XX</b>	Excise evasion (duty on alcohol, tobacco, fuel etc.)
<b>XXF3XX</b>	Corporate tax evasion (tax evasion by businesses, corporations)
<b>XXF4XX</b>	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
<b>Politically Exposed Persons (PEPs)</b>	
XXD7XX	International PEPs
XXD8XX	Domestic PEPs
<b>Money Laundering/Terrorist Financing Relating to Vulnerable Persons</b>	
XXV2XX	Risk to vulnerable adults
XXV3XX	Risk to children - including sexual abuse and exploitation
<b>Other Predicate Offences</b>	
XXFIREXX	Firearms
XXOICXX	Organised immigration crime
XXMSHTXX	Modern slavery and human trafficking
XXDRUXX	Illegal supply of drugs
<b>Projects/Other</b>	
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