



UKFIU

UK Financial Intelligence Unit



SARs REPORTER BOOKLET

February 2024

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.

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 X (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



Cases reported on in this document were collated in response to biannual requests from the UKFIU to LEAs to report on the use of SARs intelligence during the course of their investigations. This Reporter Booklet contains examples received in October 2023.

While every effort is made to ensure the accuracy of any information or other material contained in this document, it is provided on the basis that the NCA and its officers, either individually or collectively, accept no responsibility for any loss, damage, cost or expense of whatever kind arising directly or indirectly from or in connection with the use by any person, whomsoever, of any information or other material contained herein.

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Foreword

Welcome to the February 2024 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.

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 released in January 2024. This episode features a discussion with the head of the UKFIU Reporter Engagement Team and senior regulators from the accountancy sector on the SARs regime.



[CLICK HERE](#)

Vince O'Brien,
Head of the UKFIU

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 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 held suspicions following high value cash deposits in an account recently opened by a subject, who was unable to provide sufficient proof about the origin of these funds. The **reporter suspected the subject was acting as a money mule to launder the proceeds of crime** and submitted a DAML SAR to exit the relationship and return the account's funds. The UKFIU refused the DAML and intelligence was disseminated to the relevant LEA. **The LEA's investigation uncovered that the subject was working with an Organised Crime Group (OCG)** and subsequently obtained a forfeiture for the account balance of around £25,000.



Multiple reporters submitted a number of DAML SARs to return funds while exiting their relationship with the same business. Concerns were held regarding **multiple accounts held by the business, which frequently received high value payments** that were transferred in and out of the accounts, indicating potential money laundering. Some of these payments were received from the subject of a previous SAR. The UKFIU refused the DAMLs and fast-tracked the intelligence to the relevant LEA. The LEA was able to launch an investigation into the business, with the business owner refusing to engage when contacted. The LEA obtained multiple Account Freezing Orders (AFOs) and **forfeitures on all funds in the accounts, totalling over £100,000.**



¹ A current or potential user of SARs such as an LEA or relevant government body.

A reporter held suspicions of a customer engaging in money laundering. This was due to the **customer depositing high values of cash and refusing to address the reporter's due diligence queries**. The reporter carried out an internal investigation and uncovered an account believed to be set up by the same customer using alternative details. The reporter submitted a DAML SAR to return the funds to the customer. The UKFIU refused the DAML SAR and disseminated intelligence to the relevant LEA. The LEA launched an investigation and **obtained an Account Forfeiture Order on the account balance of over £15,000**. Enquiries are ongoing.



A SAR led to an LEA pursuing a money laundering investigation due to a reporter's concerns regarding the source of funds passing through a subject's account. The primary source of these funds came from **frequent high value transfers of unknown origin** which were transferred out of the subject's account soon after. **The LEA was able to corroborate other intelligence they held suggesting the subject is involved in laundering the proceeds of crime**. Intelligence from this SAR has been key in building a case against the subject. The case is ongoing.

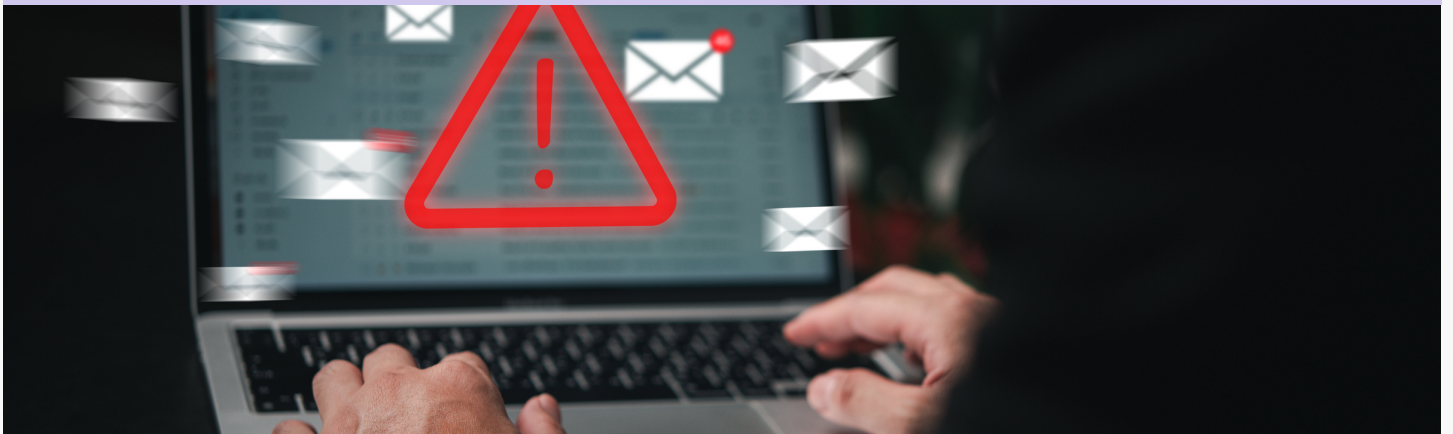
An LEA launched multiple investigations utilising intelligence from a number of SARs in relation to money laundering and supply of illegal substances, successfully bringing cases to court. Around the same time, a reporter had concerns regarding the source and rapid turnover of funds received in a subject's accounts. Following an internal investigation by the reporter, SARs were submitted, which the UKFIU disseminated to the LEA. **With this new SARs intelligence, the LEA uncovered additional leads**. The LEA's investigation found that the subject had been **using funds to try and pervert the course of justice**, leading to the arrest of the subject. The investigation is ongoing.

Fraud

Multiple DAML SARs led to an LEA launching an investigation into **tax fraud and money laundering**. A reporter identified multiple linked business accounts in receipt of large credits that were rapidly dispersed to third parties in the UK and to overseas businesses. These transactions did not fit the business profiles of their respective accounts, raising suspicion that the credits were the proceeds of crime. The LEA's investigation uncovered evidence that the linked business accounts were involved in tax fraud and the laundering of the proceeds of crime. The LEA obtained AFOs and forfeitures against these linked business accounts, **resulting in over £300,000 being forfeited**.



In order to exit a relationship with a subject, a reporter submitted a DAML SAR to return funds to the subject. This followed **concerns that the funds in the subject's account originated from email interception fraud**. The UKFIU disseminated this intelligence to the relevant LEA who was able to identify the victim of the fraud. This resulted in the reporter no longer requiring a DAML as they confirmed they would **start the process of returning the funds to the victim, which totalled over £10,000**.



A reporter identified two linked subjects with accounts funded by cash and other monies from sources that did not match the subjects' profiles. **The reporter held concerns that these funds were proceeds from the sale of stolen goods**. The reporter submitted multiple DAML SARs to return funds from the accounts to the respective subjects, while exiting their relationship. The UKFIU refused the DAML SARs and disseminated intelligence to the relevant LEA. During the LEA's investigation they **identified other crimes which the linked subjects were involved in**. The LEA obtained AFOs against the accounts, which totalled over £50,000.

A DAML SAR was submitted by a reporter to return funds to a business account holder. The **reporter held suspicions over the size and frequency of monies received** by a business account. These funds **did not reflect the business profile, suggesting a layering of funds for the purpose of money laundering**. The UKFIU refused the DAML and disseminated the intelligence to the relevant LEA. The LEA questioned the sole owner of the business who claimed the account was opened without their knowledge. The LEA obtained an AFO, followed by the **successful forfeiture of the account's funds in excess of £30,000**.

Drugs and Other

A reporter had concerns regarding the deposit of high volumes of cash to a business account over a period of several months. This led to the reporter conducting an internal investigation, suspecting tax evasion. **The cash deposits, totalling over £300,000, were inconsistent with the nature of the business**, and had been transferred in quick succession to linked subjects. The reporter conducted further Customer Due Diligence (CDD) checks and decided to end its relationship with the business and linked subjects, submitting SARs on its suspicion and a DAML SAR to return the deposits in the business account. The UKFIU disseminated intelligence to an LEA to pursue an investigation on the origin of these funds. These SARs provided vital information that **allowed the LEA to uncover properties being used in an illegal drug supply chain**. The investigation is ongoing.



A reporter wanted to exit a relationship with a customer, suspecting the source of funds in the customer's account originated from the proceeds of crime. The reporter deduced the **customer used cash from an unknown source to purchase goods they were not licensed to handle to clean the cash.** The reporter submitted a DAML SAR to return funds to the customer. The UKFIU refused the DAML SAR and shared the intelligence with the relevant LEA. The LEA was able to obtain an AFO for over £10,000 held in the customer's account. Enquiries are ongoing.



A reporter held concerns that their customer's business account activity was indicative of money laundering activity. **Large value funds were being paid into a business account that were not consistent with the business profile and included payments from firms unrelated to the business.** The reporter wanted to exit the relationship and submitted a DAML SAR to return over £200,000 to the business. The UKFIU refused the DAML and shared the intelligence with the relevant LEA prompting an investigation into the business. The LEA successfully obtained an AFO against the business account for the full amount. While court proceedings continued, a second reporter submitted a DAML SAR in relation to a business account linked to the same business citing similar concerns. Thanks in part to these DAML SARs, the LEA's investigation **uncovered the business' links to organised immigration crime (OIC),** resulting in another LEA revoking the business' licence and cutting the business' ability to partake in OIC, while court proceedings against the business account continued. The investigation is ongoing.



SAR Glossary Codes (as of February 2024)



Request for a Defence under POCA/TACT	
XXS99XX	Request for a defence under POCA
XXGVTXX	Request for any DAML value £1,000-£3,000. There is no money laundering offence to exit and pay away under £1,000 as of 26/10/2023.
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	Illegal proliferation of chemical, biological, radiological or nuclear weapons, associated technology or their means of delivery
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