



SARs REPORTER BOOKLET

August 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.



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 August 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 August 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 subject became entitled to a large sum of money after making a transaction with funds of an unknown source. The subject claimed without evidence that these were legitimate business proceeds. The reporter found adverse media reports linking the subject to **previous convictions as a result of being a member of an organised crime group (OCG)**. The reporter submitted a DAML SAR, the UKFIU refused this and disseminated intelligence to the relevant LEA. The LEA found that the subject was already facing existing confiscation proceedings and still involved in criminal activities. As a result of this DAML SAR, over £30,000 was restrained.

A subject was brought to a reporter's attention as a result of intelligence from law enforcement that the subject was under an existing investigation for money laundering in relation to previous SAR disclosures. The subject had been transacting in a manner that did not fit their purported profile, with a **rapid account turnover indicative of money laundering activity**. The reporter submitted a DAML SAR, which was refused by the UKFIU. The UKFIU disseminated intelligence to the relevant LEA and **an account freezing order (AFO) for over £72,000 was obtained**. Enquiries are ongoing.

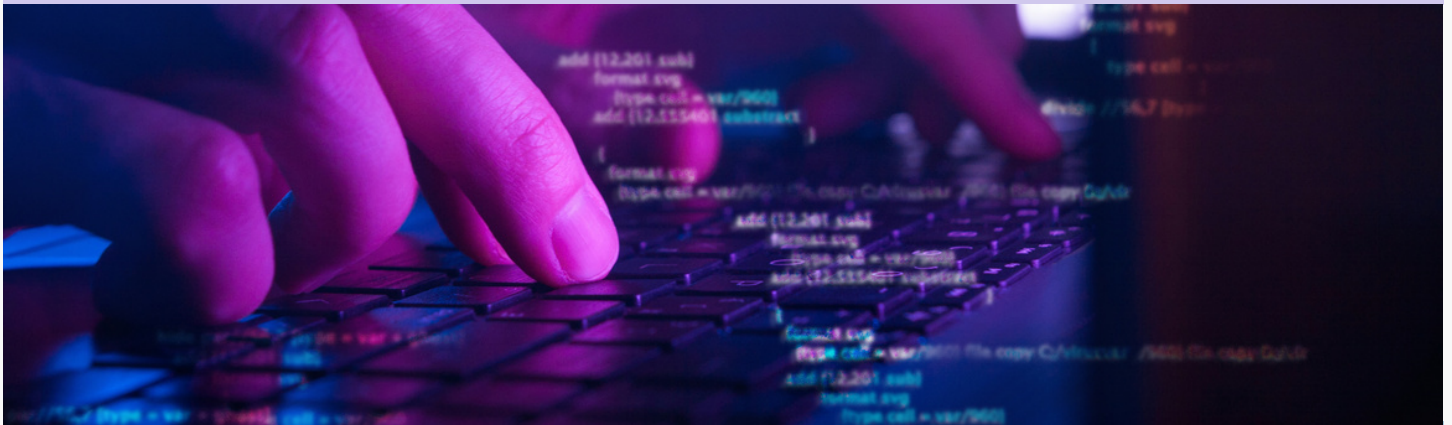


A reporter became suspicious after a subject's account received payments from a third party who themselves were subject to a DAML disclosure and LEA investigation into money laundering. The subject's account was also funded by cash of an unknown origin, raising tax evasion concerns. The reporter submitted a DAML request and this was refused by the UKFIU. In its investigation, **the LEA found evidence of foreign underground banking, and successfully obtained an AFO for over £140,000**. Enquiries are ongoing.

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

Fraud

A reporter submitted a DAML SAR after a subject received numerous large payments from elderly individuals and made a series of suspicious transactions with no reasonable explanation. The UKFIU refused the DAML request and disseminated intelligence to the relevant LEA. Enquiries made by the LEA **identified a victim of rogue traders** as having made one of the payments to the subject. As a result of the LEA's enquiries, **the subject's account balance of almost £20,000 was used to compensate the victim**, and the subject was charged and later convicted for fraud by false representation.



A reporter submitted a DAML SAR after **identifying a number of red flags on the subject's account**, including that the account belonged to a business which had no business related spending, no online presence with the exception of a social media account, and had laid dormant for a number of months prior to receiving a number of large payments from an unconnected company, for which the account holder provided suspected fraudulent invoices when asked for proof of funds. The UKFIU refused the DAML request and disseminated the intelligence to the relevant LEA. The LEA utilised this intelligence to work collaboratively with another LEA to identify that these funds were fraudulent, **enabling over £1.9 million to be returned to the victim** in addition to appropriate assistance and support.



A reporter became suspicious and submitted a DAML SAR after the subject received a large payment from overseas. The reporter was concerned over the legitimacy of the source of funds, and noted that there was a lack of business activity on the subject's account and that **the subject had faced previous allegations of fraud through a diversion and impersonation scam**. The UKFIU refused the DAML request and disseminated intelligence to the LEA. The LEA successfully obtained an **AFO for over £45,000**. Enquiries are ongoing.

Drugs

A reporter became suspicious and submitted a DAML SAR after they found their customer (the subject) was closely transacting with another customer who had been subject to a restraint order for illegal drug supply under a separate SAR disclosure. The reporter **suspected that the subject was part of a larger organised crime group involved in laundering drug trafficking proceeds**. The UKFIU refused the DAML request enabling the relevant LEA to secure a **restraint order for almost £10,000**. Enquiries are ongoing.

A reporter submitted a DAML SAR to end its relationship with the subject after due diligence screening highlighted that the subject was **sentenced to a custodial sentence for illegal drug supply**. The UKFIU refused the DAML request and disseminated intelligence to the LEA. The subject was known to law enforcement, and intelligence contained within the **SAR assisted the LEA in successfully obtaining an AFO for over £5,000**. Enquiries are ongoing.



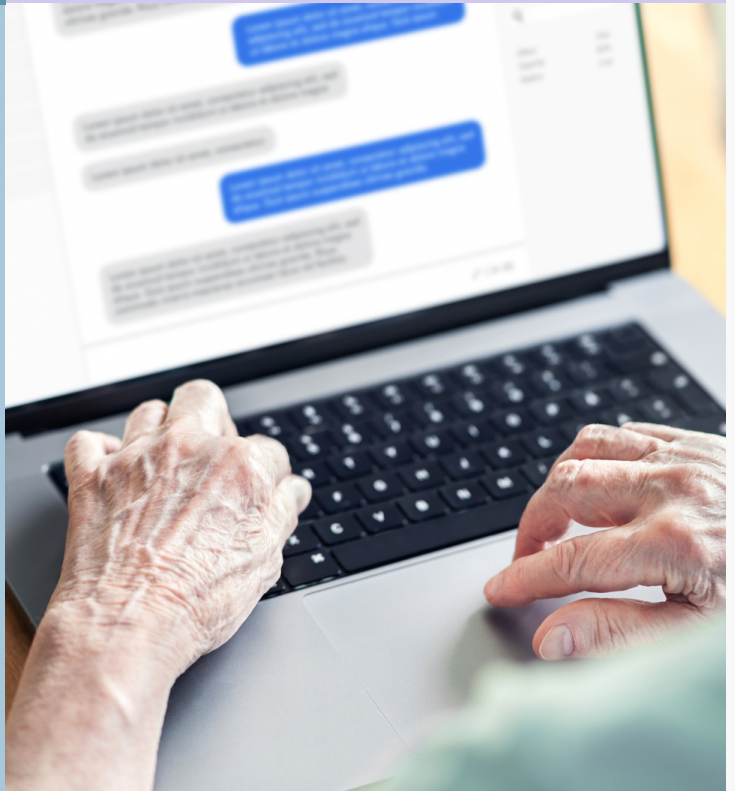
An LEA was alerted to suspicious activity on a subject's account after a reporter made a SAR disclosure. The reporter noticed that the subject had made a series of very large cash transactions which were later debited to a connected business. The LEA's investigation led to a **warrant being executed for the subject's arrest**. A subsequent search of the subject's home address found **large quantities of illicit substances**, giving rise to suspicions of drugs trafficking. Further investigations revealed that the subject had been committing more offences of money laundering, working with professional enablers, and submitting false documents. The LEA was able to make further arrests, and **over £34,000 was seized**.

Vulnerable Persons



A **vulnerable elderly person (the subject) who had dementia was targeted by scammers pretending to be law enforcement officers.** The scammers instructed the subject to withdraw cash and hand this over under the guise of a counterfeit money investigation. The subject ultimately withdrew over £5,000. The reporter became aware of the scam and submitted a SAR. The UKFIU fast-tracked the SAR given the vulnerability and time-sensitive nature of the case. The SAR alerted the LEA that there was a high level of risk for further offences, and enabled the LEA to provide effective safeguarding to the subject.

A reporter submitted a SAR after becoming concerned that the **subject was a victim of romance fraud and potentially being used as a money mule.** The subject's account was in receipt of numerous payments that were then rapidly paid out towards a cryptocurrency platform. The subject had paid away over £9,000. The subject claimed that the money was from their overseas partner who was managing the cryptocurrency account in order to fund medical bills. The UKFIU fast-tracked the SAR to the LEA, who found that the subject had already been a victim of fraud in the past. The intelligence was used to provide safeguarding action to the victim.



A reporter submitted a SAR after noticing unusual activity on a vulnerable person's (VP) account. The VP received a large payment for over £15k, which was used to purchase a series of gift cards, claiming that this was to repay money owed to friends. This led the reporter to believe that **the VP may be a victim of fraud/coercion**. The UKFIU fast-tracked intelligence from this SAR to the relevant LEA, whose enquiries determined that the VP was possibly a victim of coercion. As a result of this SAR and LEA enquiries, the LEA was able to provide safeguarding action to the VP. Enquiries are ongoing.



A vulnerable elderly person (the subject) was targeted by scammers claiming to be part of a law enforcement fraud squad. **The scammers instructed the subject to make cash withdrawals totalling over £3,000 which they collected by visiting the subject's home address.** The reporter became aware that the subject was the victim of an ongoing scam and submitted a SAR. The UKFIU fast-tracked the SAR given the vulnerability of the subject. The LEA identified the subject as a former victim of courier fraud and part of a current investigation. Intelligence from this SAR is being utilised to further ongoing enquiries.



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