



SFO

serious
fraud
office

Achievements in 2009-10

Foreword



In the run up to my second annual report I am pleased to give an early indication of our continuing progress.

With reduced funding we continued to work in innovative ways to provide better value for taxpayers. I am particularly pleased with the overall quality of cases we have been bringing to court during the year. This is reflected in the number of convictions and sentences (including measures like company director disqualifications) we have secured. Our new quality review processes have contributed significantly to this.

Victims remain at the heart of what we do. With that in mind, we are now taking on average nine months less to complete our investigations which means that we are helping to get justice for

victims sooner. Also as a result of our work, compensation paid to victims is almost four times more than last year. And our new website (www.sfo.gov.uk) offers better advice to help the public protect themselves from fraudsters.

Next year will bring greater challenges – more funding cuts and increased demand. But I am confident that we will continue to build on our achievements to provide the best possible service to society at the least burden to the taxpayer.

A handwritten signature in dark ink that reads "Richard Alderman". The signature is written in a cursive style and is positioned above a thin horizontal line.

Richard Alderman
Director

About the SFO

To protect society from serious economic crime

Some key facts and figures:

- 2009-10 budget

£44.6 million

- Total number of staff

303

- Number of active cases

86

- Value for money at a cost of

73p for everyone in the UK

Key results in 2009-10

Trials and convictions

- **100%** of trials have achieved at least one conviction
- **91%** of defendants, who were tried, were convicted

Compensation and financial recovery

- **£4 million** has been paid back to victims of crime – almost four times more than in 2008-09
- **£11.8 million** has been recovered in corporate fines and channelled back into the court system

- **£5 million** has been recovered from cases through civil means, more than double the value achieved in 2008-09
- Using new powers available this year, we have been able to search for cash and retain it as our investigations continue. We have seized **£240,000** since November 2009

Supporting our international partners

- The SFO has supported **34** other countries with their requests for information to tackle fraud and corruption

Key achievements

Two brothers – Andrew and Nigel Thorne – were found guilty of a £6 million asset stripping fraud. Nigel Thorne is now serving a three and a half year prison sentence. His brother received a nine month prison sentence suspended for two years. However both men have been disqualified from acting as company directors – Nigel for three years and Andrew for five.

In the first prosecution brought in the UK against a company for breaching UN sanctions, Mabey & Johnson Ltd admitted offences of overseas corruption and breaching UN sanctions. The company is to pay £6.6 million.

Robert Scott who had collaborated with a Spanish-based ‘boiler room’ operation was sentenced to 33 months imprisonment. He had allowed two of his non-trading companies to be used by the boiler room agents who had sold effectively worthless shares in the companies to unsuspecting investors.

Peter Bradley and Peter Stott were ordered to pay over £1 million (by way of compensation to victims) in relation to a fraud operated by Alta Gas Plc. This is an example of the Serious Fraud Office’s commitment to the victims of fraud by ensuring that criminals surrender their proceeds of crime to pay them compensation.

The types of cases handled by the SFO

The SFO deals with many different types of economic crime. To help identify what types are being committed we have developed a taxonomy of fraud. The taxonomy is now being used by the law enforcement community across the UK to give a common understanding and classification of the main elements of fraud. It allows us to understand how persistent and varied the threats are to all of us.

Here are just a few examples:

Corruption – the abuse of public or private office for personal gain. There are various forms of corruption including bribery and nepotism.

Investment Fraud – the targeting of institutions and corporations by fund managers to make financial investments that promise very high returns but often turn out to be ‘too good to be true’. Watch out for fund managers who mislead investors by making false disclosures failing to provide full information about the investment opportunity.

Share Sales, Bonds or Boiler Rooms – the cold calling of victims by fake stockbrokers who persuade them to buy shares or bonds that are worthless or non-existent.

For further details about the SFO including the taxonomy of fraud go to: www.sfo.gov.uk