KINGSLEY NAPLEY

PROCEEDS OF CRIME

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INTRODUCTION

In this edition, we provide a comprehensive analysis of the UK Government's continuing efforts to combat fraud and financial crime. We examine the increasingly collaborative and proactive approaches adopted by law enforcement agencies to prevent criminal activity and facilitate the recovery of the proceeds of crime. We review the recently launched Anti-Money Laundering and Asset Recovery Strategy for 2026-29.

We also consider recent legislative changes, including the Crime and Policing Act 2026, and regulatory developments, assessing their practical implications for businesses, compliance professionals and legal practitioners.

Given the increasingly cross-border nature of financial crime, we explore co-operation with overseas enforcement agencies and international commitments. Looking ahead, we preview the UK's flagship Illicit Finance summit now scheduled for December 2026. Finally, we highlight recent landmark cases that are shaping the legal landscape in this area.

With thanks to Julia Bateman, Angela Tsui, Isabel Holt and Asha Kaushal in the production of the newsletter.

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*The contents of this newsletter are for information only and must not be relied upon as legal or professional advice. For further information or advice on any of the issues covered in this newsletter, please **contact** the specialist Proceeds of Crime and Money Laundering team.*

KEY STATISTICS

£550m

Government investment pledge 2026-29.

£345.3m

Total Assets recovered in FY 2025-26. An increase of 20% on previous year.

£155.9m

Forfeiture order receipts FY 2025-26. An increase of 28% on previous year.

£150.9m

Confiscation order receipts FY 2025-26. A decrease of 5% on previous year.

£1.1bn

Amount of assets denied through restraint and forfeiture powers FY 2025-26. An increase of 30% on previous year.

£677m

Amount of restraint orders granted FY 2025-26.

£376.4m

Amount seized or frozen under forfeiture powers. Account freezing orders (AFOs) contributing 74% of total value.

£1bn

Assessment of scale of cash-based money laundering.

4,058

Convictions for Money Laundering 2025-26.

50

Number of actions in Delivery Plan.

Source: **Asset Recovery Statistics 2021 - 2026**

See also: **Anti-money laundering and asset recovery strategy 2026 - 2029**

KEY ACRONYMS

AML Anti-money laundering

AMP Art market participant

CPS Crown Prosecution Service

FATF Financial Action Task Force

FCA Financial Conduct Authority

HMRC His Majesty's Revenue & Customs

MLRs The Money Laundering Regulations 2017 (as amended)

NCA National Crime Agency

NFT Non-fungible token

POCA Proceeds of Crime Act 2002

SFO Serious Fraud Office

THE GOVERNMENT'S ANTI-MONEY LAUNDERING AND ASSET RECOVERY STRATEGY FOR 2026-29

The UK Government's new Anti-Money Laundering and Asset Recovery Strategy (**"the Strategy**") signals a significant shift towards a more intelligence-led, risk-based approach to tackling illicit finance. It explicitly criticises "low-value, tick-box compliance" and redirects focus towards the highest-harm threats: serious and organised crime, professional enablers and sophisticated money laundering networks. Crypto-enabled crime is identified as a growing threat.

The Strategy sets out a programme of legislative reform, operational investment and international co-operation designed to strengthen the UK's defences against money laundering and improve asset recovery outcomes.

Key priorities include:

- Amending POCA 2002 to expand the listed assets regime to include vehicles and high-value clothing – planned for 2026-27.
- Reviewing money laundering prosecutions, including the impact of the Economic Crime and Corporate Transparency Act 2023 (ECCTA) on corporate liability.
- Consulting on reforms to the Money Laundering Regulations (MLRs) to reduce low-value compliance activity.
- Reviewing the Suspicious Activity Reports (SARs) regime, including whether to raise the suspicion threshold, with a decision expected in 2027-28.
- Consulting on adding new sectors to the MLRs, including property developers, football clubs and agents, offshore virtual asset service providers, antiques dealers and donation-based crowdfunding platforms.
- HM Treasury consulting on enhanced MLR supervisory powers, including unannounced inspections, increased director accountability, direct enforcement powers for the Gambling Commission and a review of prosecutorial powers.

The Strategy seeks to strengthen the UK's asset recovery framework through greater intelligence-sharing, improved technology and faster access to financial data. It proposes:

- A new UK Asset Recovery Office (ARO) to be designed in Year 1 and established with an initial workforce thereafter.
- A national Asset Management Office (AMO).
- Dedicated specialist asset recovery teams across the CPS, NCA and NECC with greater support for Regional Organised Crime Units.
- Greater use of civil recovery orders from 2028-29 onwards.
- Faster cross-border asset tracing and restraint, with stronger engagement with Crown Dependencies and Overseas Territories on beneficial ownership transparency.

The current infrastructure is described as "outdated, insufficiently digitised and poorly connected." The government proposes a national financial intelligence platform for policing, faster access to bank account information and enhanced data interoperability across agencies.

The Strategy commits to strengthening cryptoasset seizure capabilities, developing cross-agency intelligence networks and leveraging the UK's influence through FATF to promote stronger global standards.

Overall, the Strategy has significant implications for those working in the area of proceeds of crime and asset recovery. Those advising individuals, corporates and professional advisers should keep a close watch on developments arising from this new strategy as it is likely to shape the AML and asset recovery landscape for the remainder of this Parliament and beyond.



LEGISLATIVE DEVELOPMENTS

Crime and Policing Act: confiscation reforms

The Crime and Policing Act 2026 (CPA) introduces significant reforms to the criminal confiscation regime under Part 2 of POCA via schedule 21.

PRINCIPLE OBJECTIVE

The centrepiece of this reform is the insertion of a new section 5A into POCA, which formally defines the overarching purpose behind the exercise of confiscation powers: to deprive defendants of the benefit they have gained from criminal conduct, so far as is within their means. Courts and relevant persons are under a positive duty to exercise their powers in the way that best furthers this objective.

CRIMINAL LIFESTYLE PROVISIONS

The key changes include:

- Prosecutors now have a discretion whether to seek a criminal lifestyle determination.
- The threshold for triggering criminal lifestyle assumptions is lowered from three offences to two.
- The assumptions are broadened to include offences committed with an intention to benefit.
- The “serious risk of injustice” safeguard is clarified and strengthened.
- The list of criminal lifestyle offences is expanded to include a brothel-related offence and two environmental offences (unlawful waste disposal and operating regulated facilities without a permit).

TIMETABLING OF CONFISCATED PROCEEDINGS

A new section 15A replaces sections 14 and 15 of POCA, requiring courts to establish a timetable for confiscation proceedings before the conclusion of the sentencing hearing. The timetable must specify key procedural deadlines, including the exchange of information and the confiscation hearing date. The period within which a court may vary a sentence is extended from 28 to 56 days. Where appropriate, it may also provide for an early resolution meeting and hearing, together with any associated information exchanges and reporting requirements.

One of the first cases to be reported under the new provisions is *R v Ryan [2026] EWCR 9*.

AMOUNT TO BE PAID UNDER A CONFISCATION ORDER

A new section 9A formalises hidden asset determinations, allowing courts to treat unexplained differences between benefit and known assets as hidden property, while also requiring consideration of alternative explanations. Further changes:

- Clarify the treatment of tainted gifts.
- Give courts greater discretion to reduce benefit figures where a full assessment would produce an unjust result.
- Refine the calculation of benefit where property has been acquired partly with criminal proceeds, including through mortgage financing.
- Introduce clearer rules for valuing assets, cryptoassets and foreign-currency proceeds.

“Courts and relevant persons are under a positive duty to exercise their powers in the way that best furthers this objective.”



Corporate Criminal Liability

Section 250 CPA, in force from 29 June 2026, extends corporate criminal liability so that companies may be held liable where a "senior manager" commits any offence while acting within their actual or apparent authority. This marks a significant expansion beyond the ECCTA 2023 framework, which was limited to economic crimes.

New AML Regulations in force on 30 June 2026

The Money Laundering and Terrorist Financing (Amendment) Regulations 2026 (SI 2026/621) came partially into force on 30 June 2026, with further provisions taking effect on 1 February 2027 and full implementation completing on 25 October 2027.

Three key changes are of particular significance:

- First, enhanced due diligence (EDD) is now required only for unusually complex transactions, not all complex transactions. This deliberate narrowing responds to evidence of overly risk-averse behaviour across regulated sectors. Importantly, EDD obligations for unusually large transactions and those with no apparent economic or legal purpose remain unchanged.
- Second, EDD for high-risk third countries is now triggered only where a transaction or customer relationship involves a person established in a FATF "Call for Action" (blacklisted) country, rather than all countries under increased monitoring. Grey-listed countries no longer automatically trigger EDD, though their status remains a relevant consideration in geographical risk assessments.
- Third, Trust Registration Service requirements have been expanded to capture non-UK trusts holding interests in UK land acquired before 6 October 2020, which was previously an unaddressed reporting gap. A new de minimis exemption relieves certain low-risk, low-value trusts from registration obligations.

Further changes address pooled account due diligence, cryptoasset business controls, beneficial ownership provisions and supervisory co-operation.

Regulated firms should review and update their AML policies, procedures, and staff training without delay.

ECCTA third progress report - reform lauded

The government has published the third progress **report** on the implementation of Parts 1 to 3 of ECCTA, marking another milestone in what has been described as the most significant overhaul of company law in almost two centuries.

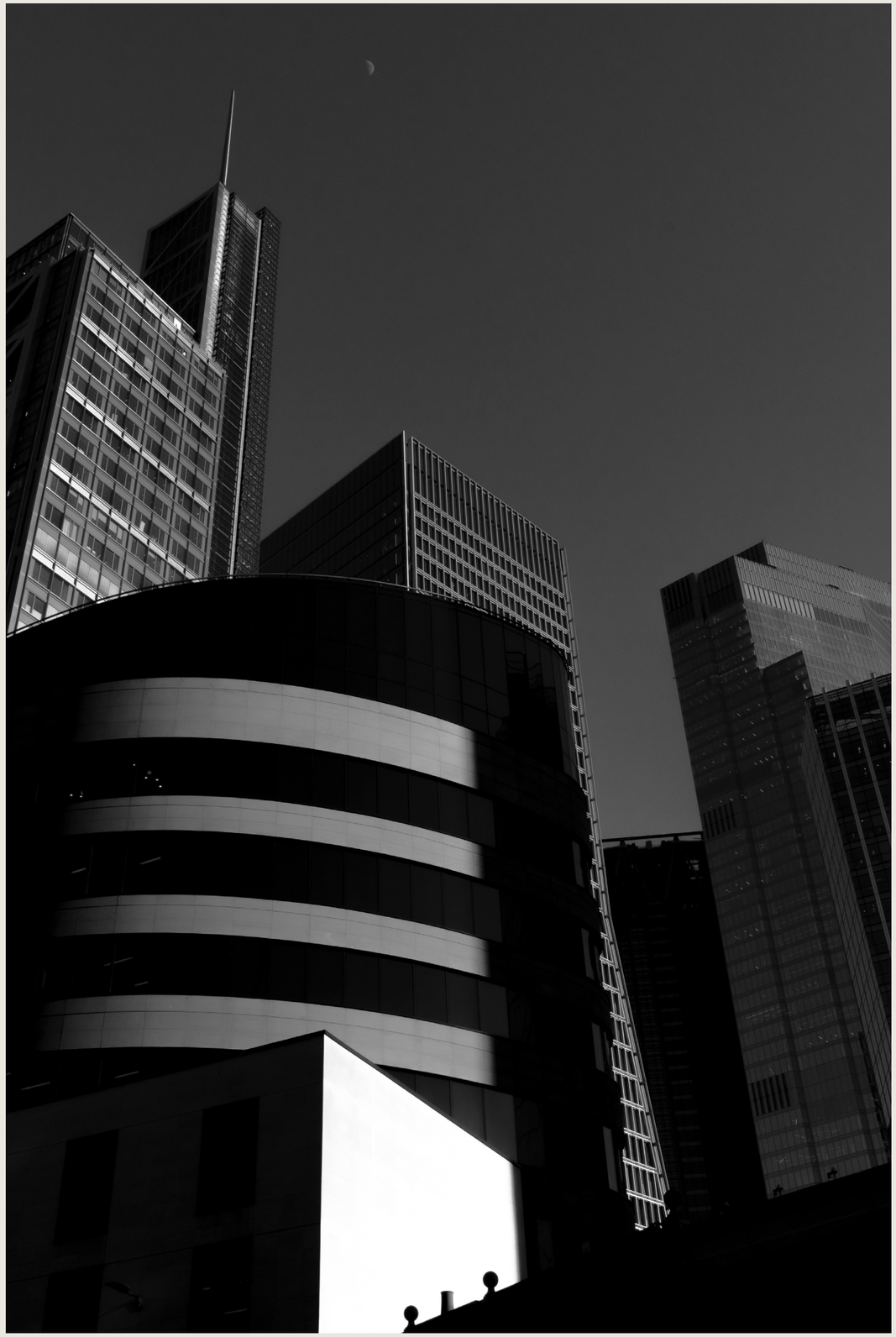
The report sets out the continuing threat posed by economic crime to the UK's prosperity and national security. Drawing on Companies House's 2026-27 Strategic Intelligence Assessment, it highlights that approximately 50% of register abuse relates to fraud, with a further 25% linked to illicit finance, including money laundering and sanctions evasion. Common forms of abuse include false filing, address misuse, front directors, shell companies, and complex or circular ownership structures, all of which can facilitate serious criminality such as drug supply, modern slavery, and terrorism financing.

Among the headline achievements, the report highlights the introduction of mandatory identity verification (IDV) for directors and People with Significant Control, strengthening transparency and acting as a deterrent to those seeking to exploit UK corporate structures. Companies House has deepened collaboration with the Insolvency Service and HMRC, contributing to a National Crime Agency-led operation targeting high-street criminality and money laundering. Misleading information is also being removed from the register at scale.

The report acknowledges that work remains ongoing, but points to clear momentum in delivering reforms that protect businesses, consumers, and the integrity of the UK's economic environment.

In a related development, the Insolvency Service secured its first **convictions** for identity verification offences in September.

"Approximately 50% of register abuse relates to fraud, with a further 25% linked to illicit finance, including money laundering and sanctions evasion."



FCA Annual Work Programme 2026-27: key priorities and commitments

At the FCA's Financial Crime Conference in May, Chief Executive Nikhil Rathi described financial crime as becoming increasingly organised, technologically sophisticated and interconnected, posing a significant threat to both national security and economic stability. He stressed the need for a system-wide response underpinned by enhanced information sharing, smarter technology and closer collaboration across firms, regulators, government bodies and law enforcement agencies. Referring to the joint "Nine Priorities" agreement with the National Crime Agency (NCA) in 2024, he confirmed that efforts will continue to focus on money laundering, fraud and high-risk jurisdictions. The priorities were subsequently updated in October.

The most structurally significant development for the FCA is its forthcoming assumption of AML/CTF supervision in the accountancy and legal sectors (see below).

In September, the FCA published a report detailing its **findings** in relation to money mule activity and how the proceeds of fraud are processed through the financial system.

The CPS' Serious and Economic Crime Strategy 2030

In June, the Crown Prosecution Service (CPS) published its Serious and Economic Organised Crime (SEOC) Strategy 2030 (the "**2030 Strategy**"), setting out its approach to tackling serious economic and organised crime.

It commits to more effective prosecutions, earlier disruption of criminal networks, greater use of technology and AI and enhanced domestic and international collaboration.

Of particular relevance to proceeds of crime practitioners, asset recovery is placed at the centre of every case, to be considered from the earliest stages of case strategy. This reflects the CPS' view that depriving offenders of criminal profits is a key tool in disrupting organised criminal activity and reducing reoffending. The Strategy also proposes digital prompts to ensure prosecutors consider restraint, confiscation and other asset recovery opportunities at key stages.

The CPS is also consulting on a **revised edition** of the Code for Crown Prosecutors. Proposed changes to the sections on Selection of Charges and Accepting Guilty Pleas would encourage prosecutors to consider whether a suspect has benefited from particular criminal conduct or from general criminal conduct to ensure the appropriate confiscation regime can be engaged.

FOCUS ON THE PROFESSIONS

SARS in action

The latest UK Financial Intelligence Unit (UKFIU) **publication** highlights a number of emerging financial crime risks and reporting developments relevant to regulated firms. A key theme is the increasing use of artificial intelligence to circumvent customer due diligence and onboarding controls. A JMLIT Amber Alert issued in April 2026 warns that accounts are being opened using AI-generated identity documents, deepfakes and synthetic identities to facilitate fraud and launder criminal proceeds.

Professional enablers also appear under the spotlight here as well. Reporting entities are encouraged to identify within SARs circumstances where criminal activity may have been facilitated by a professional enabler, whether through deliberate complicity, negligent conduct or a failure to challenge suspicious activity.

JMLSG publishes proposed AML guidance amendments

The Joint Money Laundering Steering Group (JMLSG) has been active in updating its anti-money laundering and counter-terrorist financing (AML/CTF) guidance for the financial services sector. Following a consultation in June a **series** of finalised amendments and newly proposed revisions to Part I of its guidance are now in circulation. These have been submitted to HM Treasury for Ministerial approval.

SRA issues first fixed penalties for AML information failures

In April 2026, the SRA issued its first ever fixed financial **penalties** to law firms that fail to provide requested information on their anti-money laundering and sanctions controls. The firms were each fined £750 and ordered to pay £150 costs after not responding promptly, and continuing to not respond promptly after notice from the SRA. The SRA notes that the fixed penalty regime may also be extended to some breaches under the proposed new accountants' reports regime.



Law firm fined over PEP check failure

The SRA has **fined** a Norwich law firm £16,100 after identifying deficiencies in its anti-money laundering controls when acting for a politically exposed person (PEP) and associated companies in a series of residential property transactions between 2017 and 2020.

The SRA found that the firm had failed to implement adequate systems to identify the client as a PEP and to apply the enhanced due diligence measures required under the Money Laundering Regulations, including establishing the source of funds and source of wealth. The regulator emphasised the heightened money laundering risks associated with PEPs and the need for additional scrutiny.

In determining the penalty, the SRA noted the firm's admissions but also took account of its co-operation with the investigation and remedial steps taken to achieve compliance. The case serves as a reminder of the importance of robust PEP screening and enhanced due diligence procedures in higher-risk matters.

FCA to supervise lawyers' AML compliance by 2028

The FCA is expected to begin assuming AML **supervision** of lawyers, accountants and trust and company service providers before the end of 2028, with full transition by mid-2030. The transition will be phased and implemented only once the FCA has established the necessary systems, information-sharing arrangements and staffing.

The proposal has attracted criticism in the House of Lords, with concerns raised about the FCA's resourcing, preparedness and ability to deliver the sector-specific guidance currently provided by professional bodies. The government has defended the reforms as promoting greater consistency and effectiveness, emphasising that the future regime will be proportionate and risk-based.

This issue also addresses duplicate SAR reporting. Where a customer is a fraud victim, it has been agreed that the perpetrator's financial institution (Entity B) is better placed to submit a more informed and useful SAR to the UKFIU, as they hold key information about the account receiving the funds. The victim's financial institution (Entity A) need not file a separate SAR.

"The FCA is expected to begin assuming AML supervision of lawyers, accountants and trust and company service providers before the end of 2028, with full transition by mid 2030."

CRYPTO CORNER

NCA led international operation targeting illicit cryptocurrency

Operation Atlantic (March 2026), led by the NCA with support from the US Secret Service, Ontario Provincial Police and Ontario Securities Commission, targeted illicit cryptocurrency and investment schemes. The operation focused on approval phishing where victims are tricked into granting criminals access to their cryptocurrency wallets. Over £12 million has been frozen and 20,000 victims identified across the UK, Canada and the United States.

The NCA states that the multi-agency operation highlights the effectiveness of such co-operation, in particular public-private partnerships, in tackling cybercrime and more specific threats.

Significant sentences for £23M crypto money laundering ring

At Southwark Crown Court in June 2026, four individuals were sentenced for operating a money laundering group that converted criminal funds into cryptocurrency for an organised crime group. The operation received £27 million in cash deposits and transfers, with £19.1 million sent to third-party cryptoasset traders. Sentences ranged from four years and six months to eleven years' imprisonment.

Cases: R. v. Zapata T20230246; R. v. Khan T20230249; R. v. Geddes T20240014 and R. v. Konnor, case number T20250064.



FCA cracks down on peer-to-peer crypto trading

In September 2026, the Financial Conduct Authority (FCA) **announced** a joint operation with HM Revenue & Customs (HMRC) and the Metropolitan Police Service to disrupt suspected illegal peer-to-peer cryptoasset trading activity across London. On 10 September 2026, officers visited three premises believed to be operating unregistered peer-to-peer crypto trading businesses and issued cease-and-desist notices.

The FCA highlighted the money laundering risks posed by unregistered peer-to-peer crypto traders operating by way of business in the UK. Such businesses can provide a channel for criminals to transfer and launder illicit funds while avoiding the FCA's registration regime and the anti-money laundering controls designed to detect and prevent financial crime.

The operation follows a similar enforcement initiative undertaken by the FCA in April 2026. In that earlier **action** – the first of its kind - the FCA worked alongside HMRC and the South West Regional Organised Crime Unit (SWROCU) to target eight premises suspected of conducting illegal peer-to-peer crypto trading activities.

The latest operation underscores the FCA's continued focus on identifying and disrupting unregistered cryptoasset businesses that may facilitate money laundering and other forms of financial crime.

Dark web investigation - CPS secures confiscation order

A former NCA officer has been ordered to repay more than £1.8 million after stealing cryptocurrency seized during a dark web investigation. In 2025, Paul Chowles, 44, was sentenced to five years and six months' imprisonment after pleading guilty to theft and money laundering offences arising from the misappropriation of the digital assets.

"Over £12 million has been frozen and 20,000 victims identified across the UK, Canada and the United States."

INTERNATIONAL DEVELOPMENTS

Council of Europe backs major update to criminal asset recovery treaty

The Parliamentary Assembly of the Council of Europe (PACE) has given its strong backing to a **draft additional protocol** that would significantly strengthen the international framework for seizing and confiscating criminal and terrorist assets.

Adopted in April 2026, the protocol updates the existing Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism, and is described by parliamentarians as the most significant overhaul of the Organisation's asset recovery framework to date.

The protocol notably expands the tools available to states for tracing assets across borders and introduces non-conviction-based confiscation mechanisms, allowing property presumed to be of unlawful origin to be seized even without a criminal conviction. The Parliamentary Assembly notes that robust safeguards are included to ensure compatibility with human rights standards.

UK illicit finance summit - December 2026

The UK will hold a **summit** focused on Illicit Finance in December 2026, with the government seeking to secure broad international participation and strong global commitments at a time of heightened geopolitical tension.

The Summit, a flagship element of the UK Anti-Corruption Strategy 2025, will bring together governments, international organisations, civil society, and the private sector to tackle dirty money. Key focus areas include asset recovery, information sharing, property sector laundering, cryptoasset misuse, and illicit gold trading.

Civil society experts, many serving on the Summit's Advisory Group, have welcomed the additional preparation time but are calling for significantly greater ambition. They argue the delay must translate into stronger proposals and meaningful outcomes, backed by senior cross-government leadership and deep engagement with global partners.



UK and Albania sign landmark asset-sharing deal

The United Kingdom and Albania have signed an asset-sharing **arrangement** marking the first agreement of its kind in the Western Balkans region.

The arrangement, which was formally signed, at a ceremony in Tirana on 13 July 2026, comes against a backdrop of deepening bilateral co-operation between the two countries. The UK has worked closely with Albanian authorities to strengthen their capacity to investigate and prosecute serious organised crime.

Officials have described the arrangement as setting a new precedent for international co-operation on asset recovery and serious organised crime. By demonstrating that criminal proceeds can be pursued and shared across borders, the deal is intended to pave the way for seized assets to be reinvested for social good in both nations.

The agreement also forms part of the UK Government's broader strategy for disrupting criminal business models by removing the financial incentives that underpin organised crime targeting the UK.

NECC announces success of project A.S.S.E.T

The National Economic Crime Centre (NECC) has reported on the success of Europol's Project **A.S.S.E.T.** (Asset Search and Seize Enforcement Taskforce). This joint operation in May 2026, the most successful to date, involved investigators from over 40 law enforcement agencies. Assets identified included 884 bank accounts, 80 companies, 55 crypto wallets, 74 vehicles, one vessel and 44 properties. The UK contributed over 36,000 asset tracing checks, coordinated by the NECC across the NCA, HMRC, Companies House, FCA, HM Land Registry and the banking sector.

The initiative is supported by Eurojust, INTERPOL's Financial Crime and Anti-Corruption Centre, the European Public Prosecutor's Office, AMLA, and private sector partners from the financial services and cryptocurrency industries.

"The protocol notably expands the tools available to states for tracing assets across borders and introduces non-conviction-based confiscation mechanisms."



KEY CASES

KEY CASES

NCA v ENEX Premium Trading Ltd - £3.84M for forfeiture

The NCA **announced** on 27 August 2026 that ENEX Premium Trading Ltd agreed to forfeit more than £3.84 million after the NCA's civil recovery investigation into suspected money laundering and sanctions evasion by the company.

ENEX Premium Trading was the subject of an Account Freezing Order in November 2024 after it had transferred significant funds into recently opened UK bank accounts. The NCA then traced the funds in these accounts to ENEZ accounts in China, which had received payments from suspected front companies. Some of these companies were later named under US sanctions for facilitating illicit sales of Iranian oil and funding Iranian military.

The NCA also identified other front companies and bank accounts suspected of routing funds to UK Electronic Money Institutions (EMIs) for conversion into cryptocurrency.



CPS secures confiscation orders and compensation against couple convicted for fraud against family

Confiscation and Compensation Orders have been secured against Gary and Diane Mansell who were sentenced to 6 years' imprisonment for fraud committed against Gary's parents, Fred and Enid Mansell, on 20 March 2026. They were found to have abused their power of attorney to sell the home of Gary's elderly parents in September 2018, receiving the net proceeds of sale into their own joint bank account. It was then found that between October 2017 and April 2021, Gary and Diane made 103 transfers from the parents' bank account into their own, using the money to fund a kitchen extension and luxury holidays abroad. By the time of Enid Mansell's death, Fred and Enid's bank account was reduced to just 28 pence. In total, the gain particularised on the Mansells' indictment was £117,138.55.

The CPS were able to secure confiscation orders against Gary and Diane Mansell, as well as a compensation order for Fred Mansell, on 4 June 2026.

"It was then found that between October 2017 and April 2021, Gary and Diane made 103 transfers from the parents' bank account into their own, using the money to fund a kitchen extension and luxury holidays abroad."

KEY CASES

CPS secures UWO against Chinese National - 85 properties worth £81M

On 18 March 2026, the CPS **secured** an Unexplained Wealth Order (UWO) and Interim Freezing Order (IFO) against a Chinese national and several associated UK-registered companies covering 85 residential properties spread across central and south London, with a combined estimated value exceeding £81 million. The respondents have three months to demonstrate the legitimate source of funds. No criminal charges have been brought.

An UWO, available under the Proceeds of Crime Act 2002, reverses the burden of proof so that asset holders must account for the lawful origin of their wealth, rather than prosecutors being required to prove criminality. The investigation is being led by the CPS Proceeds of Crime Division alongside the Metropolitan Police Service.

The CPS has exercised its civil recovery power in respect of property nine times in the past three years, recovering approximately £6.2 million.

"An UWO, available under the Proceeds of Crime Act 2002, reverses the burden of proof so that asset holders must account for the lawful origin of their wealth, rather than prosecutors being required to prove criminality."

£266M Bradford money laundering operation - further sentences

In July 2026, two further men were sentenced for their roles in a £266 million money laundering operation centred on Bradford-based scrap jewellery business Fowler Oldfield. The operation, which began in 2016, involved daily cash deliveries banked on the pretence of buying high-purity gold, which was then shipped to Dubai under fake invoices, At its peak, the scheme processed £1.7 million a day.

Baqa Haider received six years' imprisonment; Nathan Rivers received a 27-month suspended sentence. Samir Jagirdar, owner of linked business Pure Nines Ltd, has pleaded guilty and awaits sentencing. In December 2021, NatWest was fined over £260 million for failing to monitor Fowler Oldfield's banking activities.



KEY CASES

FCS penalises failure to repay confiscation order

In 2021, Richard Faithfull was **sentenced** to 5 years and 10 months for his involvement in a transnational organised crime group, which laundered the proceeds of various investment frauds totalling £2.5 million. The FCA brought the prosecution against him in 2021 and subsequently obtained a Confiscation Order in July 2023 for the sum of £562,636 based on the judge's finding of his realisable assets. The sum was reduced to £529,961 in March 2024.

The terms of the original Confiscation Order required Faithfull to pay back the ordered sum or face 4 further years of prison. Of the £529,961 imposed, Faithfull had only paid back just under £350,000.

The courts have therefore sentenced Faithfull to an additional 499 days in prison for failing to meet the repayment requirements of his Confiscation Order, which was activated on 8 May 2026. His outstanding balance also accrues daily interest of £39.62.

Although Faithfull has been additionally sentenced for failing to repay what he owed, he will still continue to be liable for the outstanding debt. These funds will then be used to compensate the victims identified by the FCA.



FCA secures confiscation order in Ponzi scheme case

The FCA **secured** a Confiscation Order on 5 June 2026 against Daniel Pugh, who was convicted in 2025 for running a Ponzi Scheme "from his bedroom" and causing a loss of £1.3 million to investors. Pugh used advertising on Facebook to target potential investors and promised significant returns, claiming that he would grow funds by trading across various markets.

Pugh was ordered to pay back £452,286.80 based on his total assets available for recovery. The repaid funds will be used to compensate victims, who are still in the process of being identified by the FCA. If Pugh does not pay the Confiscation Order within 3 months, he faces a default prison sentence of 4 years.

"Pugh used advertising on Facebook to target potential investors and promised significant returns, claiming that he would grow funds by trading across various markets."

ICO secures confiscation order for unauthorised access to personal data

The Information Commissioner's Office (ICO) **brought** a prosecution against Rizwan Manjra in December 2024 for unlawfully accessing personal information held on his employer's computers for personal financial gain. He was employed by a motor insurance company and has since been dismissed. Manjra entered a guilty plea to an offence under the Computer Misuse Act 1990, namely, causing a computer to perform a function with intent to secure unauthorised access to information. He then received a suspended prison sentence in 2024.

In May 2026, the ICO secured a Confiscation Order against Manjra. This required Manjra to repay £355,880.10 within 3 months or face 3.5 years in prison, while still being liable for the full amount upon release.

The ICO have stated they are committed to pursuing prosecutions and confiscations against those who profit from the unlawful use of personal information. Andy Curry, Head of Investigations, references Manjra as "a clear message" that the ICO "will use all means available to us to make sure criminal face severe consequences for their actions". He goes on to say, "when people misuse personal information for their own benefit, we will not only prosecute them – we will also take action to strip them of any financial gain".

"In May 2026, the ICO secured a Confiscation Order against Manjra. This required Manjra to repay £355,880.10 within 3 months or face 3.5 years in prison, while still being liable for the full amount upon release."

LCF boss imprisoned for selling restrained assets

Michael Thomson, former CEO of London Capital & Finance (LCF), was **sentenced** to six months' imprisonment on 21 May 2026 for contempt of court after admitting to recklessly breaching a restraint order on two occasions. His wife, Debbie Thomson, received a six-month suspended sentence for four breaches. The breaches involved selling luxury items, including horse saddles and a hot tub, worth nearly £5,800 and receiving a £2,000 holiday refund, resulting in the dissipation of over £100,000 in restrained assets in total. LCF collapsed in 2019, leaving approximately 11,000 investors with losses exceeding £237 million.



KEY CASES

SFO claws back nearly £500,000 from man who targeted British Expats in Jakarta

The Serious Fraud Office has **secured** an additional £491,967.97 from a man convicted of defrauding British expatriates in Indonesia, after investigators uncovered hidden properties, luxury vehicles and undisclosed bank accounts accumulated since his original conviction.

More than fifteen years after his conviction, Alan Edwin Gardner, 57, was found to have acquired significant additional assets through illicit activity. On 19 June 2026, the Serious Fraud Office (SFO) secured an uplift to the confiscation order originally made against Gardner in 2009, bringing the total amount recovered from him to over £677,000.

Targeting members of the British expatriate community in Jakarta, Indonesia, Gardner persuaded investors to hand over their savings by falsely claiming their money would be invested through UBS AG, the prestigious Swiss bank.

Investors were led to believe their funds were not only safe but growing, with some even promised guaranteed returns.

The funds were then spent by Gardner on personal expenditure or used to cover his own betting losses. Gardner was convicted in June 2009 and was subsequently sentenced to six years' imprisonment by Worcester Crown Court.

The SFO's work did not end with Gardner's conviction. Investigators from the regulator's Proceeds of Crime and International Assistance Division recently discovered that Gardner had acquired a range of assets since the original confiscation order was made. These included equity in two UK properties, luxury vehicles, and funds held across a number of bank accounts. These were assets that had not previously been accounted for.



HMRC forced to abandon account freezing order

HMRC was compelled to abandon its attempt to extend an Account Freezing Order against a Chinese national after his legal team exposed the authority's failure to address the dual criminality requirement under Part 5 of POCA. The AFO had frozen over £400,000 in a bank account on suspicion of money laundering and Daigou activity. HMRC's extension application failed to establish that the alleged overseas conduct would also constitute an offence if committed in the UK, a fundamental prerequisite. The AFO was discharged in full on 14 May 2026, just three months after it was obtained.

"HMRC's extension application failed to establish that the alleged overseas conduct would also constitute an offence if committed in the UK, a fundamental prerequisite."



National Crime Agency v GKC [2026] EWHC 929 (admin)

In a reaffirmation of the open justice principle, the Administrative Court discharged anonymity and reporting restrictions protecting the Respondent in Unexplained Wealth Order (UWO) and Interim Freezing Order (IFO) proceedings. The Court found that transparency prevailed over privacy interests under Article 8 privacy rights.

THE FACTS

The court had granted the UWO and IFO on a without-notice application by the National Crime Agency in respect of an overseas student living in the UK who had purchased two properties for £4 million and £1.1 million. The NCA suspected that the properties represented the proceeds of criminal conduct linked to alleged money laundering by the student's relatives in Singapore and were considering civil recovery proceedings.

The NCA's ex-parte application was heard in private, with the court granting interim anonymity and reporting restrictions. Those measures remained in place after the student unsuccessfully challenged the UWO and IFO at a subsequent inter partes hearing.

The student argued that the anonymity order and reporting restrictions should be maintained because disclosure of her identity would cause serious reputational harm. Relying on Bloomberg LP v ZXC [2022] UKSC 5, she contended that individuals under investigation have a reasonable expectation of privacy, and that principle should extend to civil recovery investigations unless a compelling public interest justified identification.

THE JUDGMENT

The anonymity order and reporting restrictions were discharged.

Approach to anonymity in UWO and IFO proceedings

The Court emphasised that the constitutional principle of open justice remained the starting point when considering applications for anonymity and reporting restrictions. The Supreme Court's decision in Bloomberg *LP v ZXC* did not reverse that position by creating a presumption in favour of privacy. Rather, *ZXC* was relevant to assessing the extent of any interference with Article 8 rights, but its reasoning had to be carefully integrated into the open justice balancing exercise.

The burden remained on the party seeking anonymity to demonstrate that such protection was necessary and that any interference with their Article 8 rights was sufficiently serious to justify a departure from the principle of open justice.

The Court rejected the contention that the commencement of civil recovery proceedings was analogous to the point at which a criminal suspect is charged, as discussed in ZXC. Suspicion-based civil recovery proceedings continued to engage the open justice principle, notwithstanding their investigatory nature.

While naming an individual under investigation may, in some cases, cause significant and potentially irreparable reputational harm, whether such harm arises is a fact-sensitive inquiry. The Court observed that any adverse impact may be mitigated where a clear and reasoned public judgment promotes an informed understanding of the proceedings and the basis on which the allegations are being investigated.

Balancing exercise in light of that approach

The Court accepted that identifying the Respondent would expose her to a serious and significant risk of reputational harm, particularly given her youth, previous good character and stated career ambitions in the banking sector. It also recognised that, in challenging the UWO and IFO, she was exercising her right to effective judicial protection in proceedings arising from the court's supervisory role in the civil recovery regime.

Nevertheless, the Court held that those considerations were outweighed by the combined weight of the open justice principle, Article 10 freedom of expression rights and the wider public interest. There was a strong public interest in full and meaningful reporting of the proceedings to enable effective public scrutiny of the judicial process, rather than anonymised or purely abstract reporting.

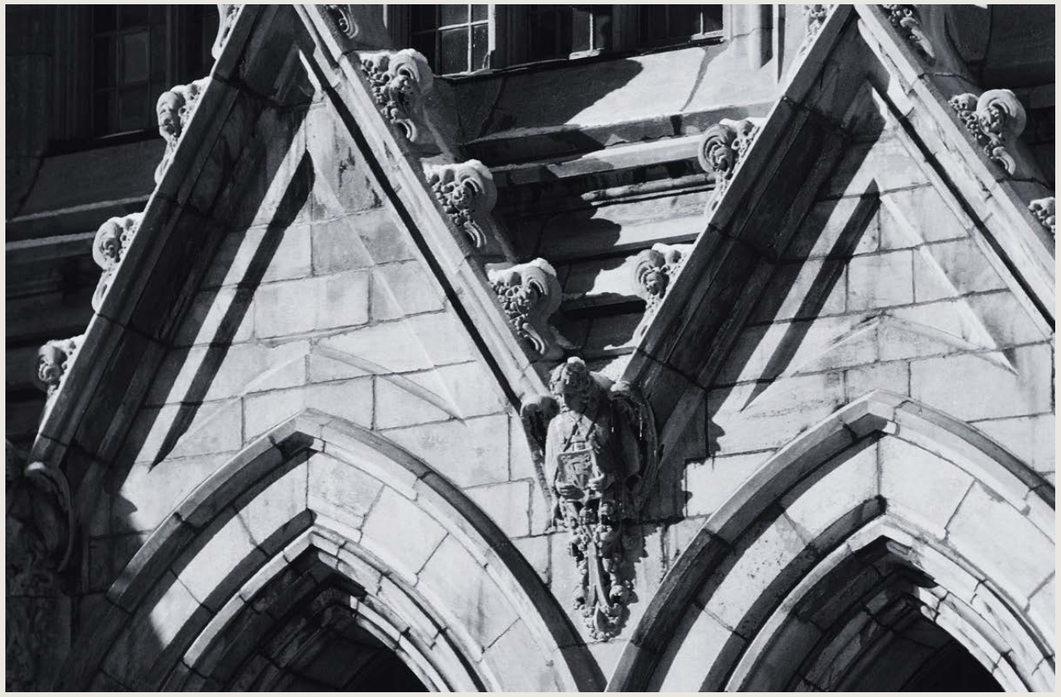
In reaching its conclusion, the Court noted that the Respondent had benefited from interim anonymity and reporting restrictions throughout the proceedings and had been afforded a full opportunity to contest the orders. It further observed that the published judgments made clear that the grant of a UWO does not constitute a finding of wrongdoing. Balancing the competing rights and interests, the Court concluded that the Respondent had failed to establish that a continued derogation from the principle of open justice was necessary.

"The Court reaffirmed that the principle of open justice is the starting point in applications for anonymity and reporting restrictions, and that any departure from that principle must be justified by clear and cogent evidence of necessity."

.**SIGNIFICANCE**

The Court reaffirmed that the principle of open justice is the starting point in applications for anonymity and reporting restrictions, and that any departure from that principle must be justified by clear and cogent evidence of necessity. It held that the Supreme Court's decision in ZXC v Bloomberg LP, which recognised a reasonable expectation of privacy for individuals under criminal investigation, did not alter that fundamental approach where court proceedings engage the open justice principle.

In balancing the Respondent's Article 8 rights against competing interests, the Court accepted that disclosure of her identity would give rise to serious reputational consequences. The Court also considered that its public judgments would assist in promoting an informed understanding that the grant of a UWO does not amount to a finding of wrongdoing. Accordingly, it discharged the anonymity order and reporting restrictions, while preserving interim protection pending appeal.





CASE IN FOCUS

R. v Osmond (William) [2026] EWCA CRIM 979

The Court of Appeal refused permission to appeal convictions for tipping off, contrary to section 333A(3) of the Proceeds of Crime Act 2002, and forgery, contrary to section 1 of the Forgery and Counterfeiting Act 1981.

The convictions arose from a solicitor, Mr Osmond, informing a client, Mr Ramsay, that the Serious Fraud Office (SFO) was investigating a property transaction in which he had previously acted and subsequently creating a false backdated engagement letter for disclosure in the course of the investigation.

THE FACTS

In 2013, Mr Osmond's long-standing client Mr Ramsay provided £4 million (through his company) as a loan towards the purchase of an £8 million property in Mayfair. Mr Osmond represented Mr Ramsay and his company in relation to the transaction.

The transaction later came to the attention of the SFO during its investigation into ENRC for alleged corruption, fraud, and money laundering. Although Mr Ramsay was not a suspect, he was connected to a senior ENRC figure whose wife had been the recipient of Mr Ramsay's loan and the purchaser of the Mayfair property.

In June 2018, the SFO informed Mr Osmond that it suspected money laundering in relation to the transaction and served a notice under section 2 of the Criminal Justice Act 1987 requiring him to provide documents and answer questions. Mr Osmond subsequently informed Mr Ramsay of the SFO's enquiries and maintained contact with him regarding the investigation (the tipping off count).

When the SFO requested a copy of Mr Ramsay's engagement letter, Mr Osmond created and provided a false backdated letter (the forgery count). He was subsequently convicted of tipping off and forgery and sought permission to appeal those convictions before the Court of Appeal.

The judge made three pre-trial rulings:

1. the relevant disclosure for the tipping-off charge was disclosure by Mr Osmond to Mr Ramsay of the specific inquiry into the Mayfair property purchase;
2. the information Mr Osmond received from the SFO was received in the course of a business in the regulated sector (as a solicitor handling property/financial transactions); and
3. the SFO investigator was acting "in performance of a duty" when he received the false letter, even though the SFO merely had a power, not a duty, to investigate.

Mr Osmond challenged all three of these rulings and submitted that:

1. the judge wrongly removed factual issues from the jury by ruling on those points pre-trial;
2. the SFO had not suffered any prejudice as a result of the disclosure; and
3. a later civil judgment (ENRC 2), concerning SFO misconduct in the broader ENRC investigation, should have been disclosed at trial.

THE JUDGMENT

The Court refused leave to appellant's appeal against his conviction. The proposed appeal was not arguable.

Pre-trial rulings

The judge's rulings were necessary to ensure that the case was dealt with efficiently and expeditiously, as per the overriding objective, and the jury could focus on the real issues.

- **Tipping off: Disclosure** – it was for the prosecution to decide what it was that they alleged that the defendant had disclosed. An investigation may constitute a disclosure for the purposes of section 333A(3) POCA even where it forms part of a broader investigation that is already publicly known. In this case, the prosecution was entitled to identify the SFO's investigation into the Mayfair property transaction as the relevant investigation disclosed, notwithstanding that it formed part of the wider ENRC investigation, of which Mr Ramsay was already aware. The public nature of the wider investigation did not give rise to a factual issue for the jury.
- **Tipping off: "In the course of a business in the regulated sector"** – Mr Osmond's work as a solicitor, including transactions involving the purchase of real property, company acquisitions and the handling of client funds, brought him within the definition of a person carrying on business in the regulated sector under Schedule 9 POCA. The information from the SFO was received in his capacity as Mr Ramsay's solicitor. The source of the information was irrelevant; section 333A(3)(c) is concerned with the capacity in which the information is received, not who provided it.
- **Forgery: "In connection with his performance of any duty"** – misleading a public official who is conducting a criminal investigation falls within the meaning of acting "in connection with his performance of any duty" under section 10(1)(c) of the Forgery and Counterfeiting Act 1981. The duty in question is owed both to the investigating authority and to the public interest in the proper investigation of criminal offences.

Likely to prejudice the investigation

The prosecution was not required to prove that the disclosure had actually prejudiced the investigation, nor was it a defence that no prejudice had in fact occurred. The relevant question, to be determined by the jury, was whether the disclosure was likely to prejudice the investigation.

ENRC 2 judgment

The misconduct findings made against certain SFO officials in the ENRC 2 litigation were unrelated to Mr Osmond's case, which concerned a distinct and more limited disclosure. Moreover, none of the officials implicated in the earlier misconduct were involved in the matters underlying Mr Osmond's prosecution. As a result, there was no realistic basis for an abuse of process argument.

.SIGNIFICANCE

R v Osmond is the first reported case to examine the elements of the "tipping off" offence under Part 7 of POCA. The decision provides valuable guidance on the scope of the offence for individuals and businesses operating within the regulated sector who become aware of money laundering investigations involving their clients.

The judgment makes clear that the offence is not confined to information obtained in the course of providing a regulated service. Instead, it is sufficient that the information comes to an individual in their capacity as a person carrying on business within the regulated sector. This interpretation widens the reach of the offence and highlights the wide obligations imposed on regulated professionals.

The court also acknowledged the possibility that a tipping off offence may not arise where the existence of an investigation is already publicly known. However, whether this principle applies will depend on the particular facts of each case.

More broadly, the decision serves as a reminder of the risks associated with disclosing information to a client in the context of a suspected money laundering investigation. As a practical matter, regulated firms and professionals should proceed on the basis that informing a client of an investigation could prejudice that investigation, even where aspects of the matter appear to be in the public domain. Careful consideration and, where appropriate, legal advice should be sought before communicating with clients whose conduct is subject to scrutiny.

"Regulated firms and professionals should proceed on the basis that informing a client of an investigation could prejudice that investigation, even where aspects of the matter appear to be in the public domain."

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